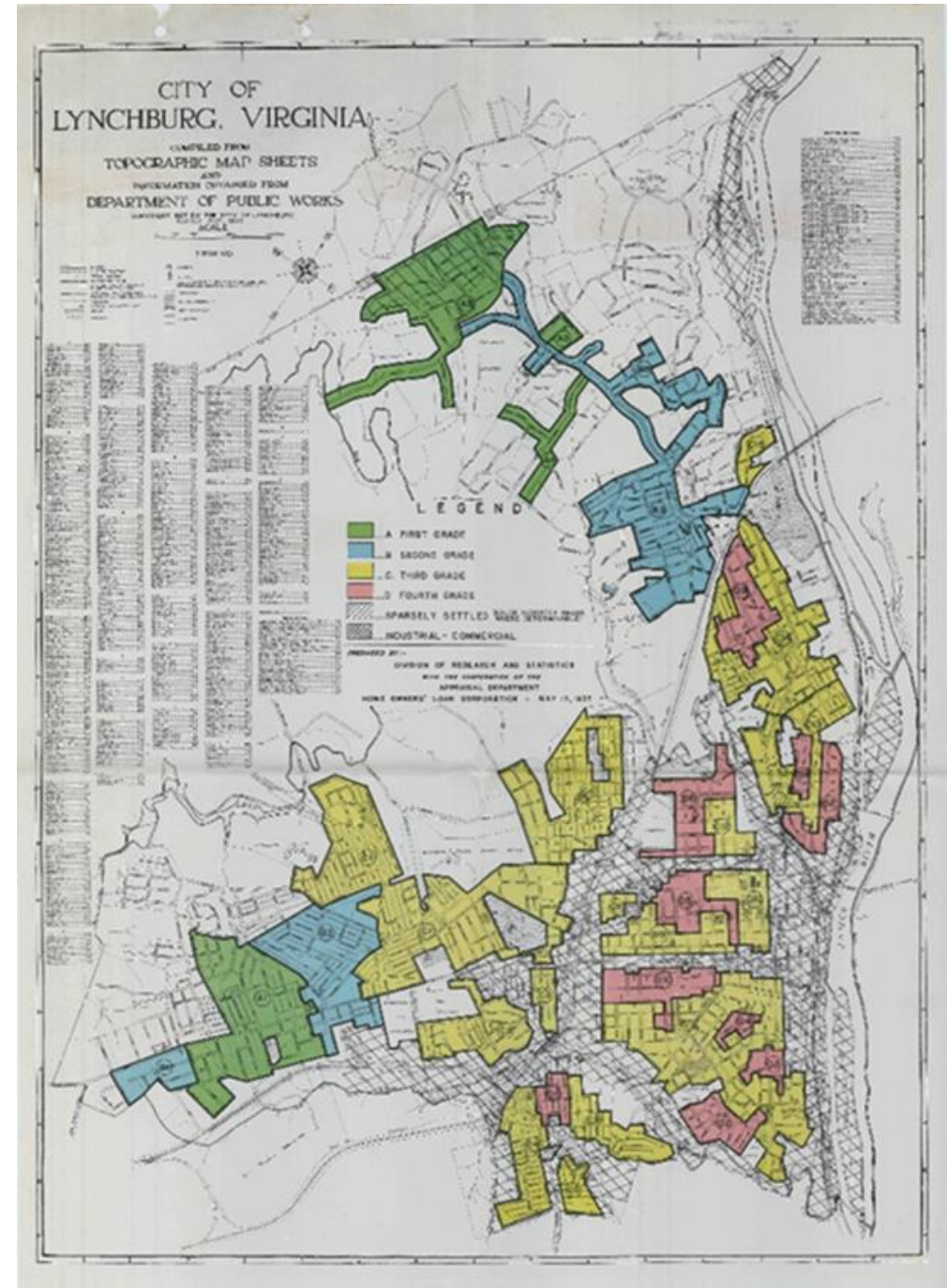
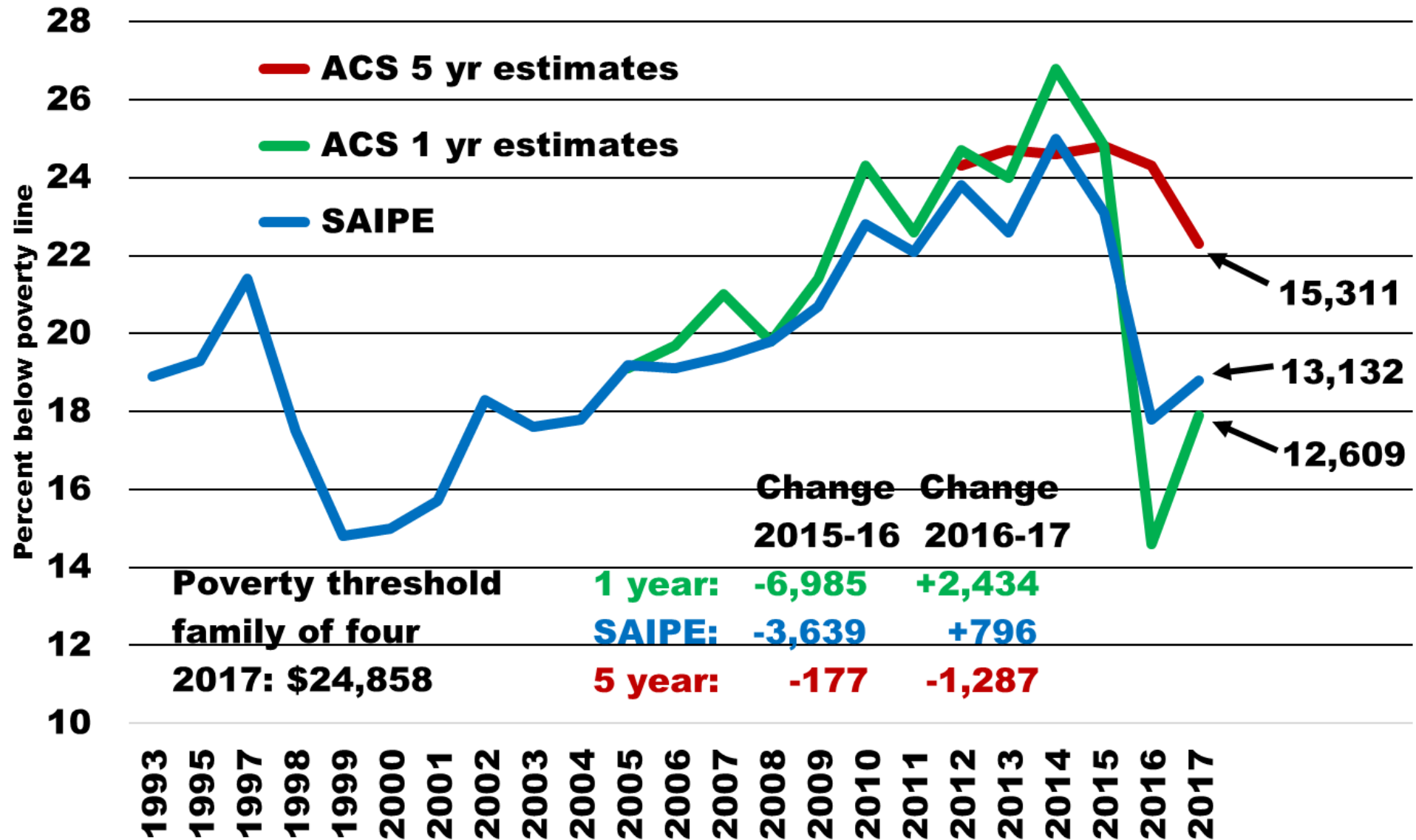


Redlining in Lynchburg

Bridges to Progress
July 25, 2019

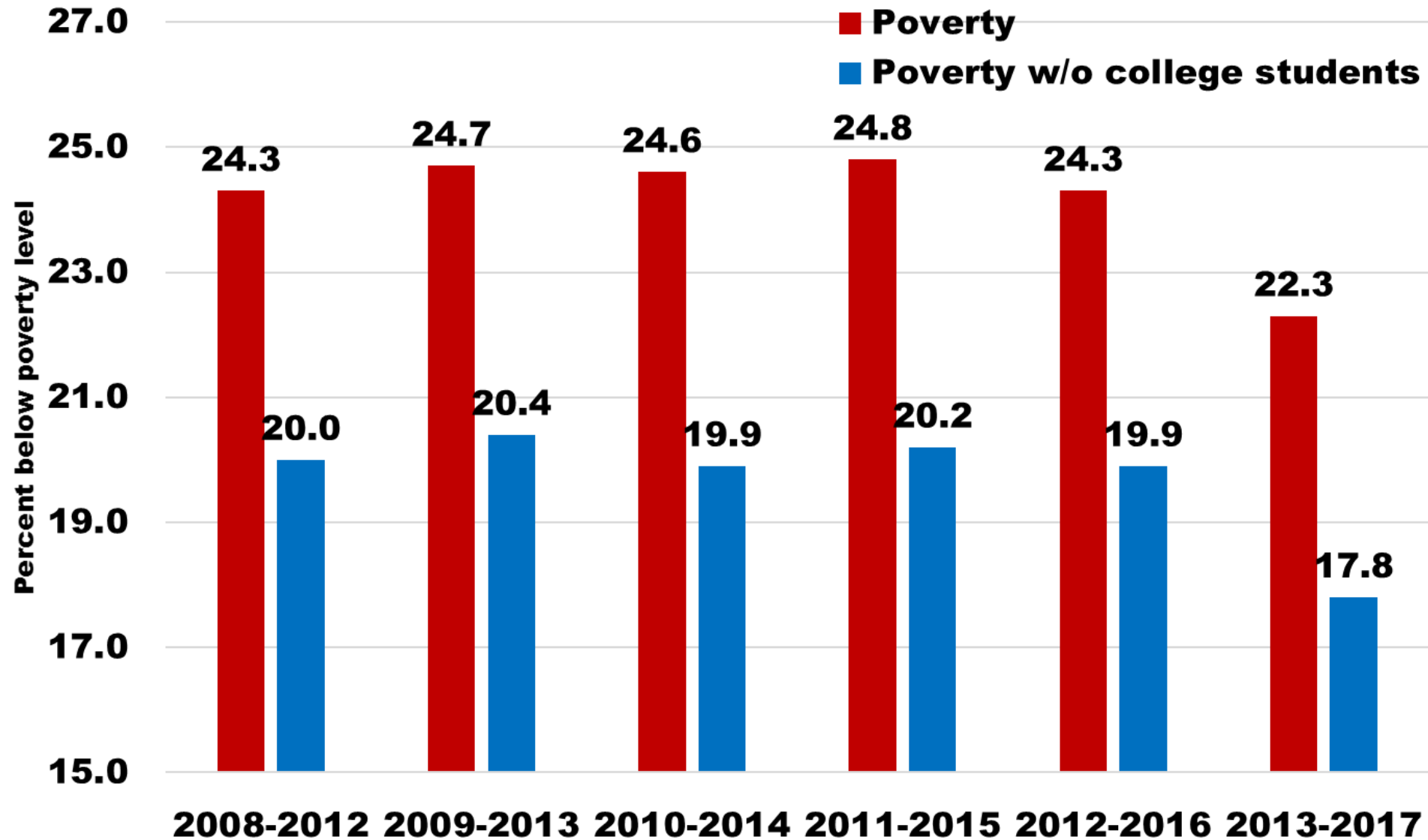


Lynchburg Poverty Rate: SAIPE vs ACS 1yr and 5 yr estimates (1993-2017)



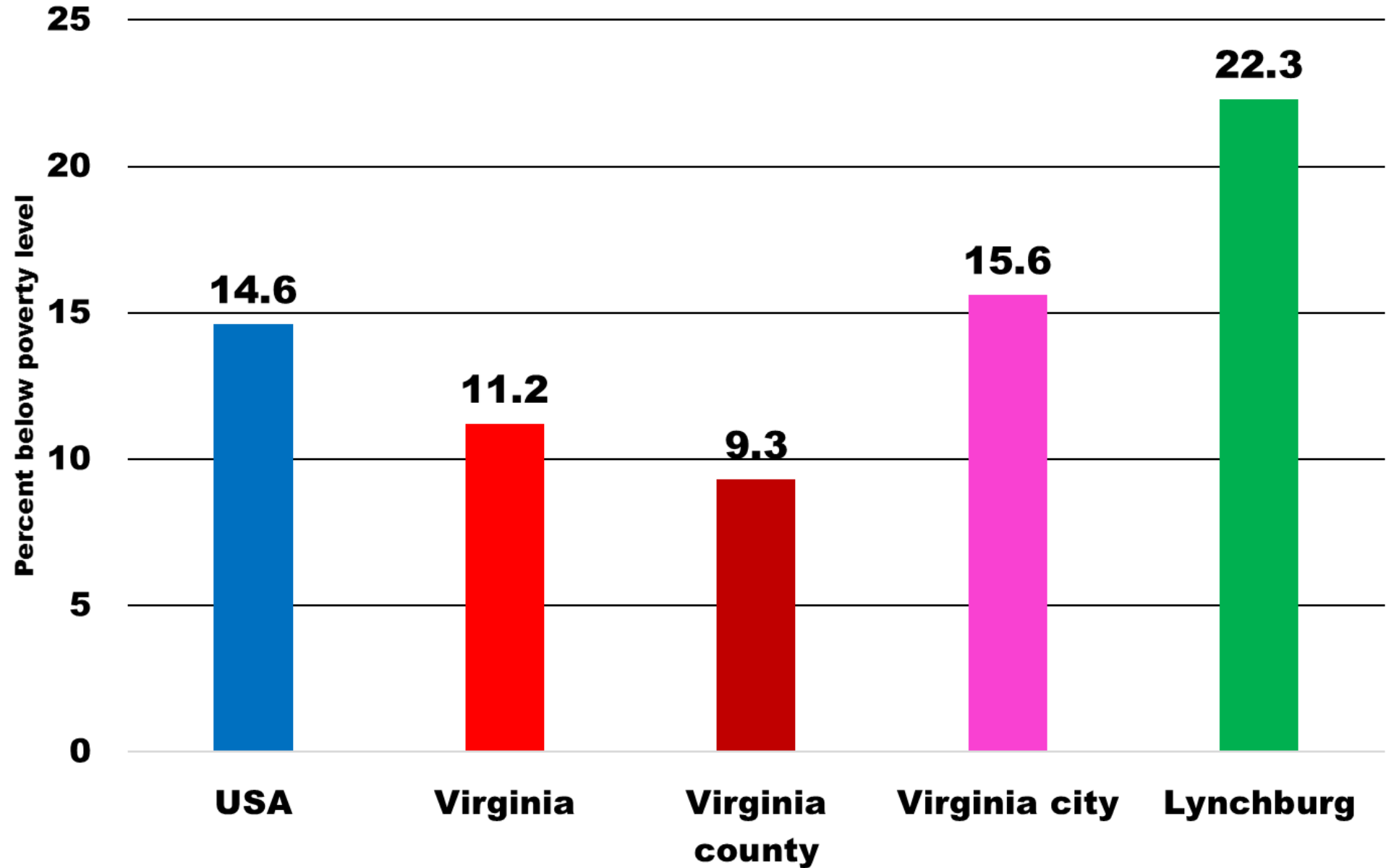
Source: US Census SAIPE and ACS 1 yr and 5yr estimates Table S1701

Lynchburg: Poverty rate overall vs poverty rate w/o college students (2012-2017)



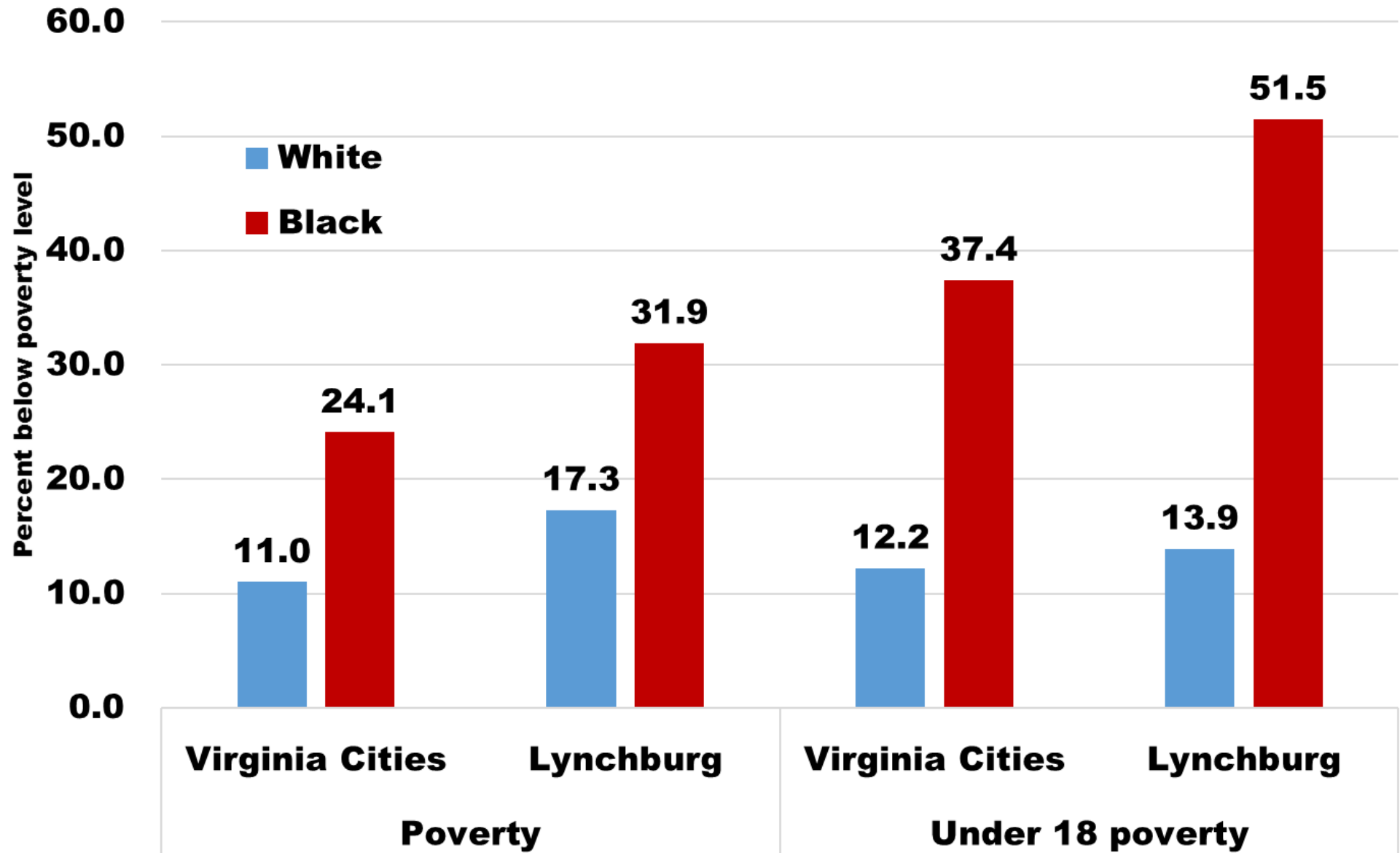
US Census: ACS 5 yr estimates Tables S1701, B14006

Poverty rate (2013 - 2017)



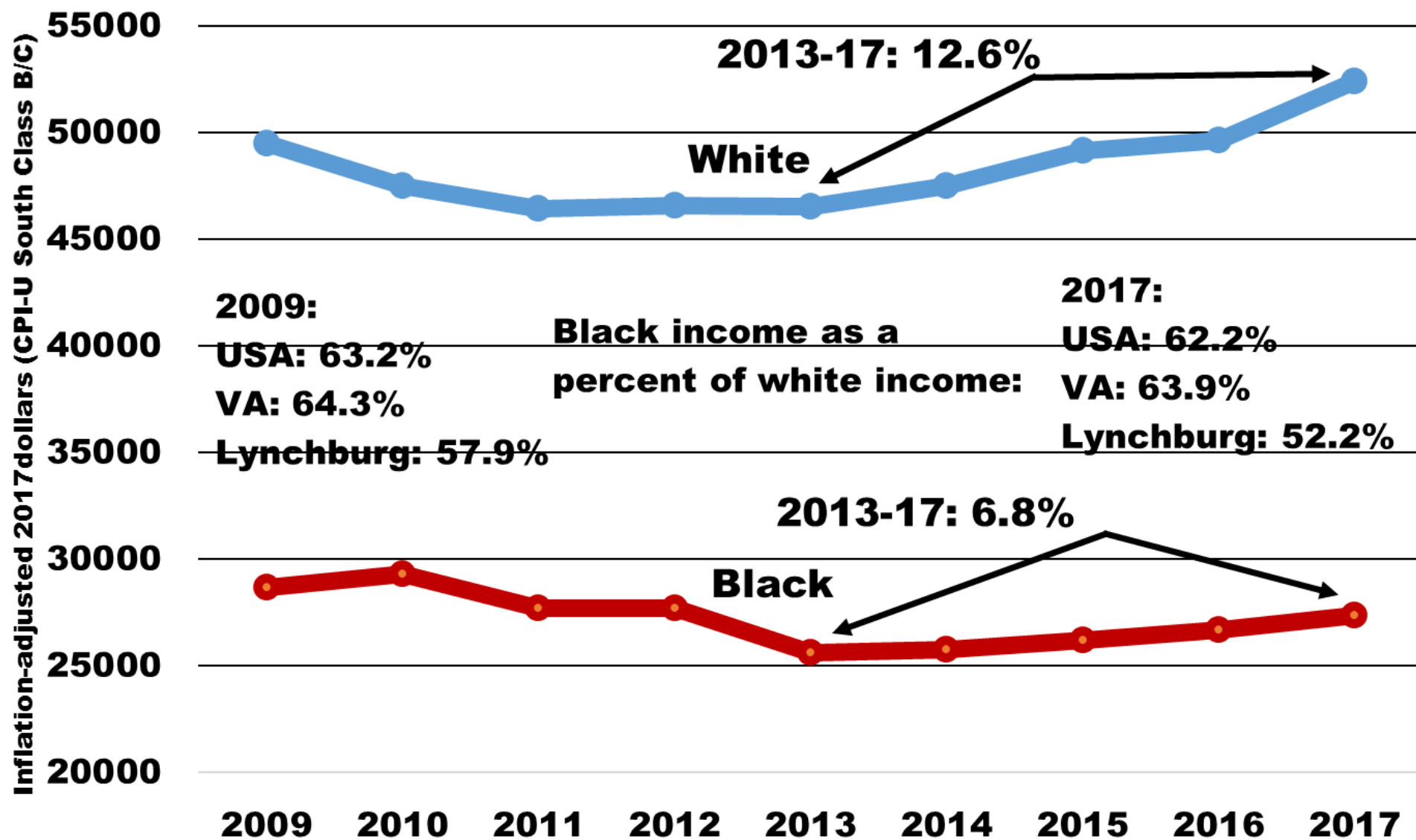
Source: US Census ACS 5 yr est. 2013-2017 Table S1701

Poverty by race: overall and youth (2013-17)



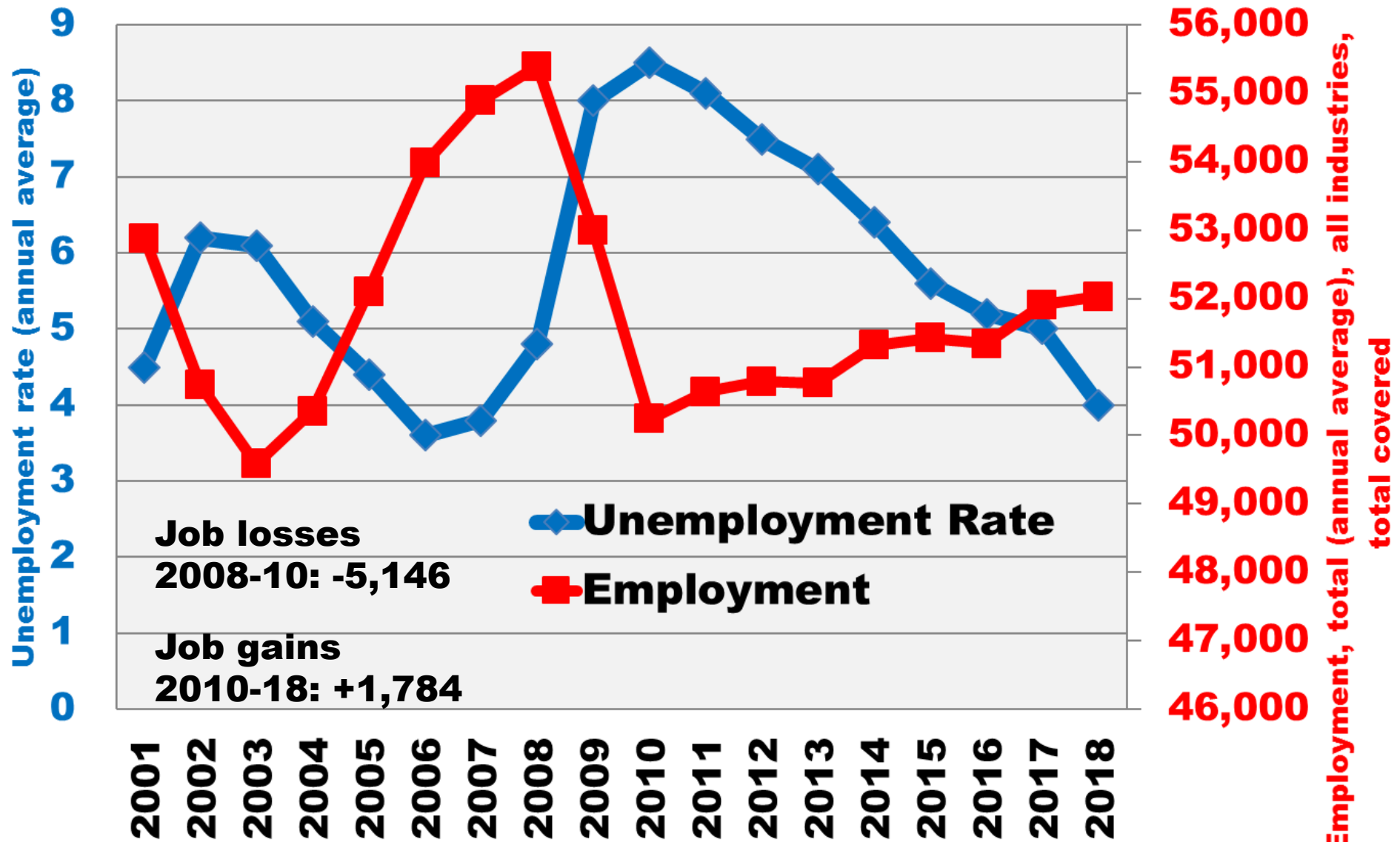
Source: US Census ACS 5 yr est. 2013-2017 Tables S1701, B17020A and B17020B

Lynchburg (real) median household income: White vs Black (2009 - 2017)



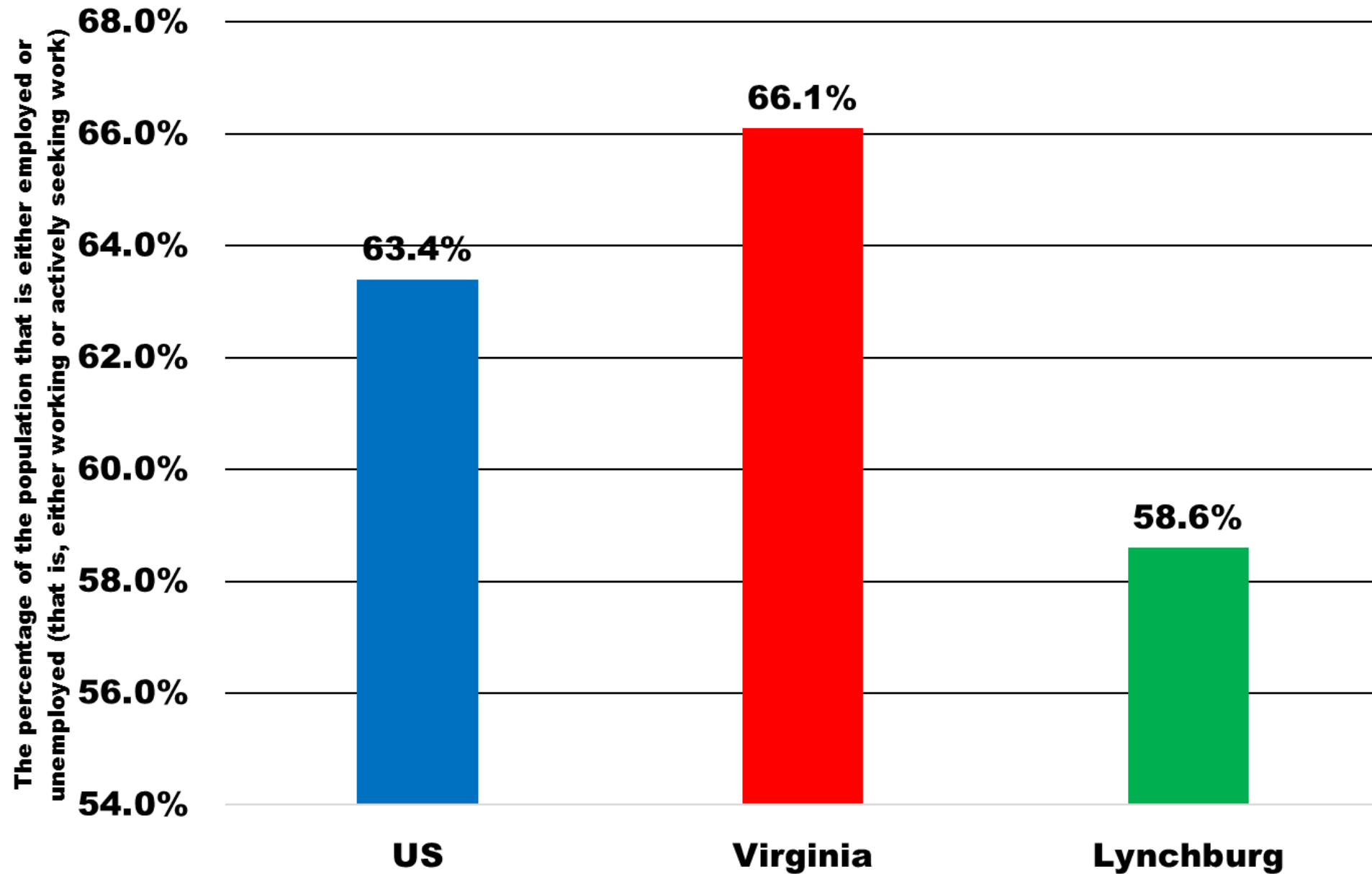
US Census: ACS 5 yr estimates, Table S1903, Economagic.com

Lynchburg: Unemployment rate and employment (2001 - 2018)



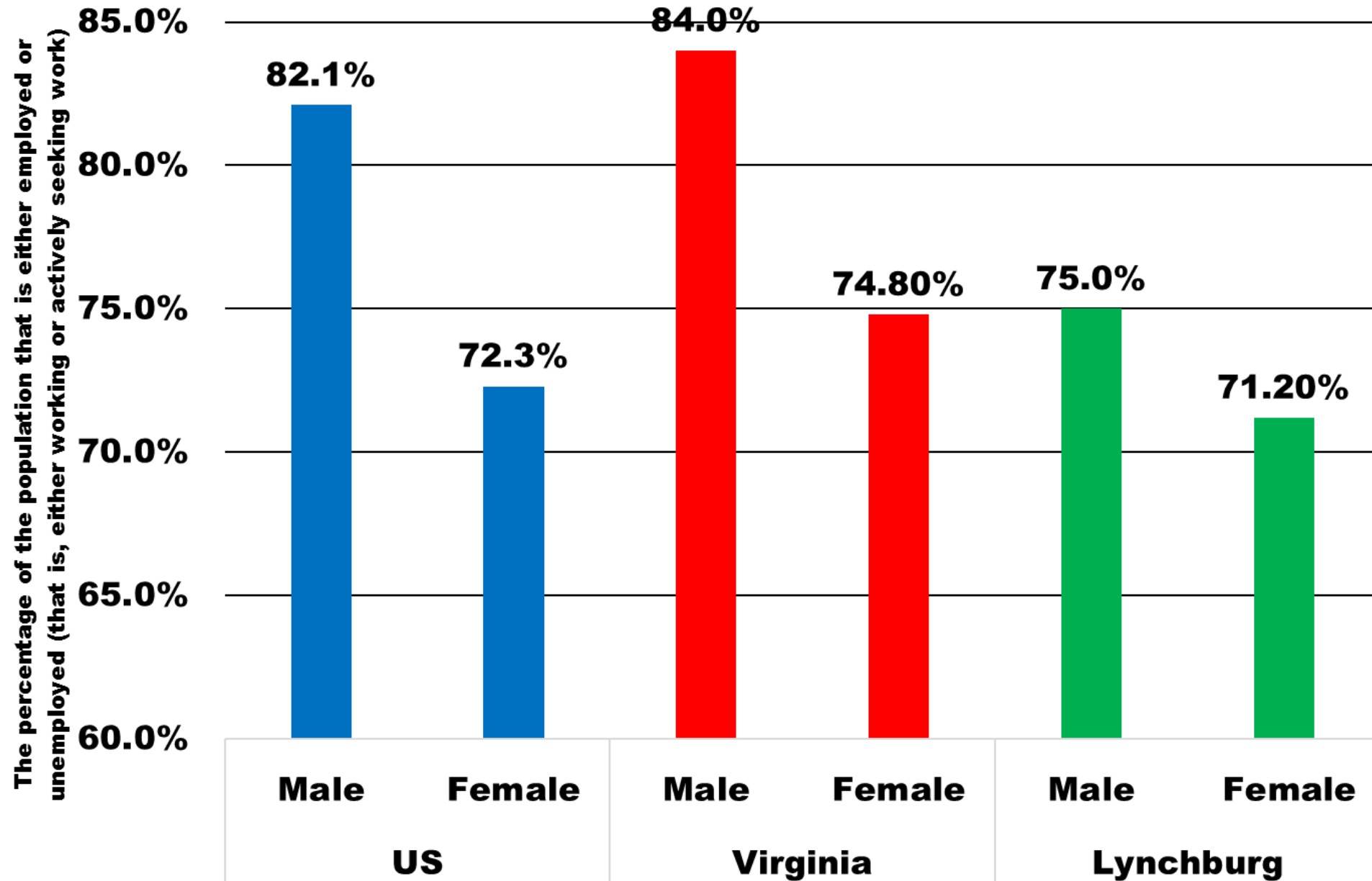
Source: BLS Local Area Unemployment Statistics, BLS QCEW State and County Map

Labor force participation rate 2013-17



Source: US Census ACS 5-yr estimates 2013-2017 Table S2301

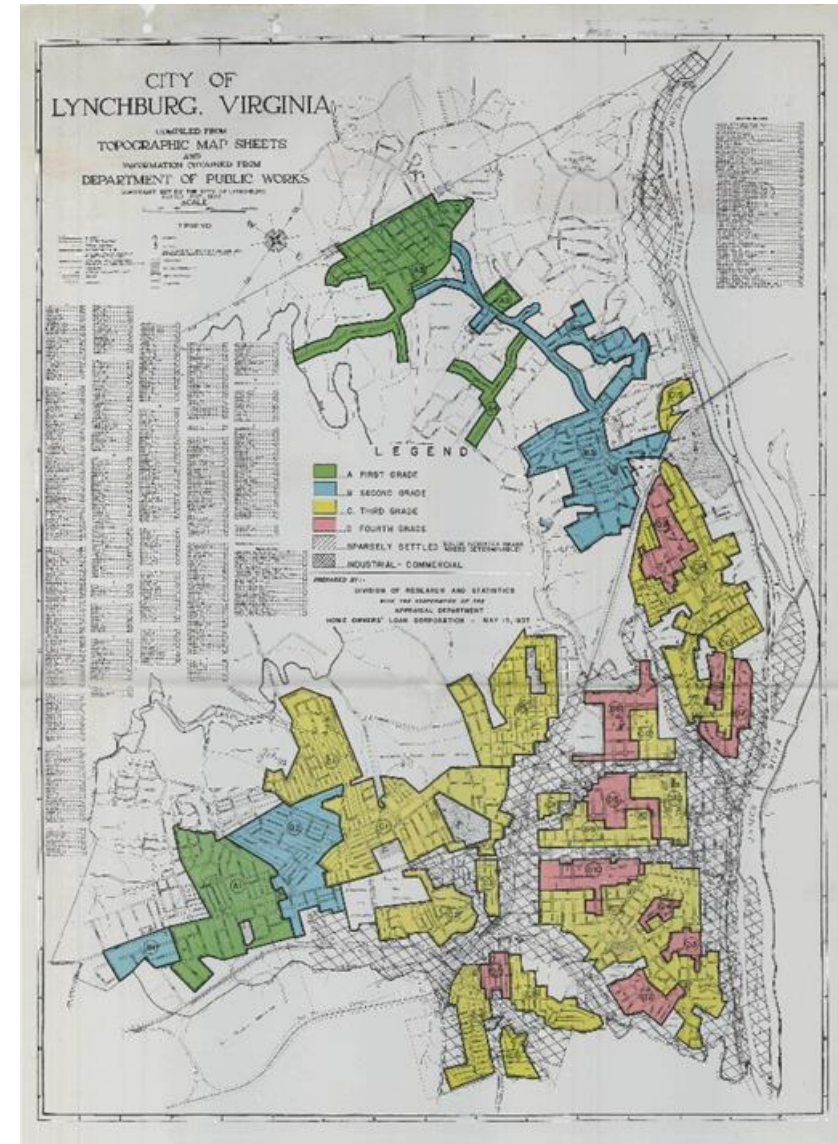
Labor force participation rate age 20-64 (2013-17)



Source: US Census ACS 5-yr estimates 2013-2017 Table S2301

Historical context...

- There is a legacy of past racial injustices that carry forward through time to affect the well-being of those living in the present.
Ta-Nehisi Coates ("The Case for Reparations," *The Atlantic*, June 2014)
- The real estate redlining of the 1930s offers a lens through which we might make a connection between the racism of the past and the poverty of the present.



Historical context continued...

- August 1619: British privateer *White Lion* off-loads 20 captured Africans at Jamestown
- 250 years of slavery
- 12 years of reconstruction (with backlash from southern states in the form of "black codes")
- 100 years of Jim Crow racism
- Civil Rights Act of 1964
- 55 years of freedom for blacks out of 400 years in America
- The redlining of the 1930s occurs about 60 years into the Jim Crow era



Debt slavery in America: [Devon Douglas-Bowers](#)
Global Research, November 04, 2013

Lynchburg's place in this history

- Lynchburg was a slave trading entrepôt city with a formal slave market at 9th and Main St.
- At the outbreak of the Civil War 42 percent of the population consisted of slaves.
- 40 percent of the white population owned or hired at least one slave.



Slave bringing a tobacco barrel to the market in Lynchburg

Lynchburg in the Jim Crow era

- *Plessy v Ferguson* (1896): Separate but equal. For blacks:
- Sit in the back of streetcars.
- Colored-only water fountains.
- Segregated schools.
- Access to the public pool? No!
- Access to the privately funded Jones Library? No!
- Access to the lunch counter at Patterson's Drug Store? No!



Scene in a Lynchburg Tobacco Factory.

Children working alongside their parents in a Lynchburg tobacco factory

(Southern Memorial Association/Old City Cemetery; engraving from 1875)

1930s... Great Depression

- Increased use of race-based zoning laws (to protect white property values). Blacks left to the vicissitudes of the rental market, stuck in the urban core of most cities.
- Owner-occupied housing affordable primarily to well-to-do whites.
- Blacks who had been last hired were now first fired (to preserve jobs for whites).
- The black unemployment rate approached 50 percent.
- Evictions.
- Foreclosures.
- Housing/construction markets in free-fall.



Sophie's Alley
2200 Block East Main St. Lynchburg
News and Advance

Government to the rescue... for some...

- Homeowner Loan Corporation (HOLC) created to assist homeowners facing foreclosure (with new longer-term, fully amortizing mortgages).
- Federal Housing Administration (FHA) created to make homeownership affordable to the broad middle-class.
- With HOLC and FHA providing billions of dollars to prop up such a sizeable portion of the economy, they felt compelled to appraise the stability of the neighborhoods in which they were making such substantial investments.

National Association of Real Estate Boards code of ethics:

“a realtor should never be instrumental in introducing into a neighborhood ... members of any race or nationality ... whose presence will clearly be detrimental to property values in that neighborhood”

(Rothstein, *The Color of Law*, 2017, p. 52).

HOLC check sheet (C6)

NS FORM-B
2-3-37

AREA DESCRIPTION
(For Instructions see Reverse Side)

1. NAME OF CITY Lynchburg, Virginia SECURITY GRADE C AREA NO. 6

2. DESCRIPTION OF TERRAIN.
Hilly

3. FAVORABLE INFLUENCES.

4. DETRIMENTAL INFLUENCES.

5. INHABITANTS:
a. Type Laborers; b. Estimated annual family income \$ 700
c. Foreign-born 0 %; d. Negro Yes 33 %;
(Nationality) (Yes or No)
e. Infiltration of negroes; f. Relief families Many
g. Population is increasing _____; decreasing _____; static. Yes

6. BUILDINGS:
a. Type or types 1-Family; b. Type of construction Frame
c. Average age 15-years; d. Repair Fair

7. HISTORY:

YEAR	SALE VALUES		RENTAL VALUES	
	RANGE	PREDOMINANT INATING %	RANGE	PREDOMINANT INATING %
1929 level		\$2,000 100%		\$10 100%
low		\$1,000		\$5
current		\$1,250		\$10

Peak sale values occurred in 1929 and were _____ % of the 1929 level.
Peak rental values occurred in 1929 and were _____ % of the 1929 level.

8. OCCUPANCY: a. Land 80 %; b. Dwelling units 100 %; c. Home owners 80 %

9. SALES DEMAND: a. Poor; b. _____; c. Activity is Poor

10. RENTAL DEMAND: a. Fair; b. _____; c. Activity is Fair

11. NEW CONSTRUCTION: a. Types None; b. Amount last year None

12. AVAILABILITY OF MORTGAGE FUNDS: a. Home purchase Limited; b. Home building Limited

13. TREND OF DESIRABILITY NEXT 10-15 YEARS Declining

14. CLARIFYING REMARKS: Patriot St. to Munford "D" rating. From North Smith to North Bath for the full length of both Streets and full length of all Streets between them borderline "D" and "C" ratings. Stores and shops are on Memorial Ave. Munford to Forrest St. The Area from Pollard and 4th, along Pollard to First, to York, to 2nd, to Chambers to 4th and back to Pollard "D" rating.

15. Information for this form was obtained from _____
Date _____ 193__

(Over)

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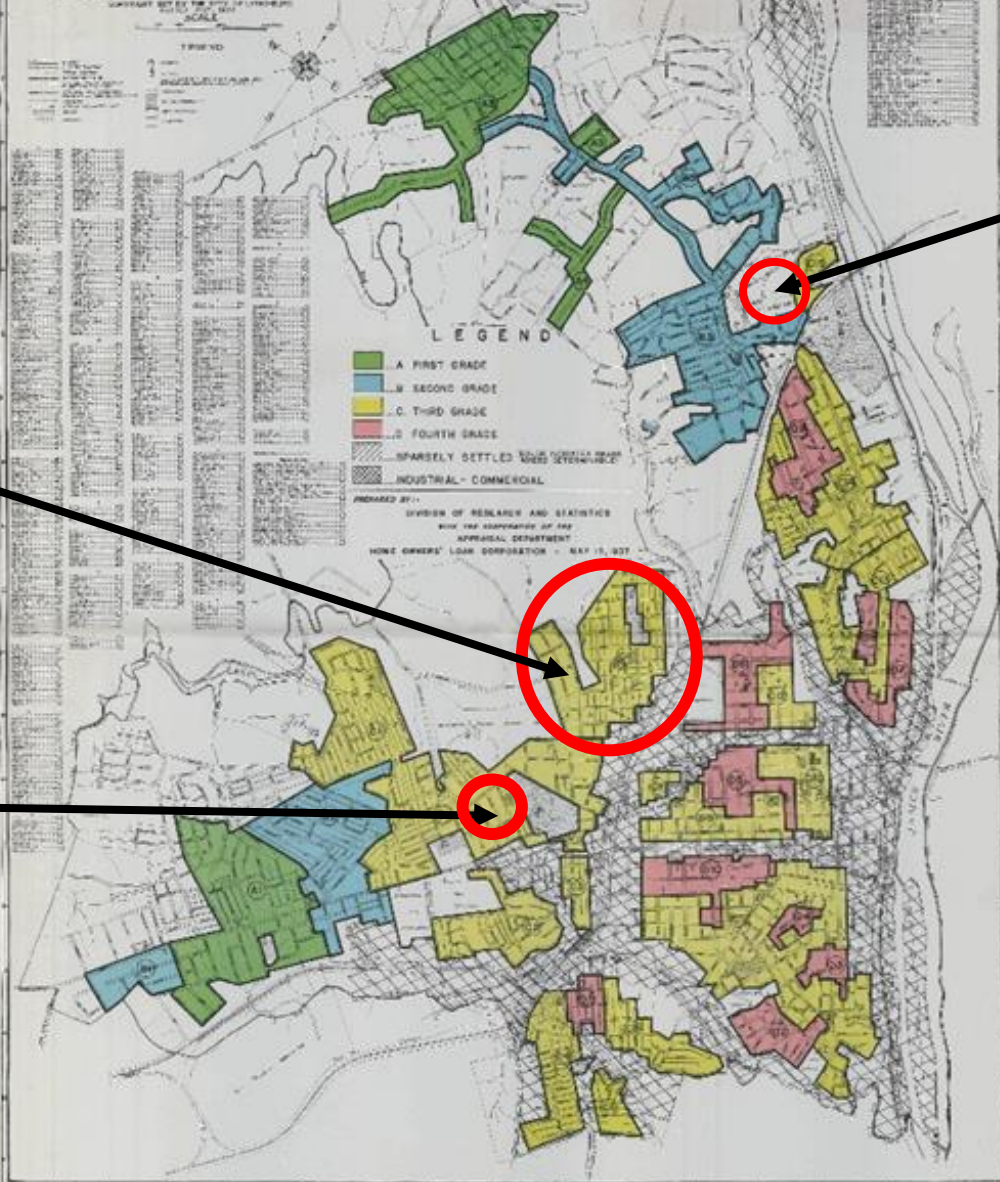
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CITY OF
LYNCHBURG, VIRGINIA

UNDESIGNED FROM
TOPOGRAPHIC MAP SHEETS
AND
INFORMATION OBTAINED FROM
DEPARTMENT OF PUBLIC WORKS
UNDESIGNED SET BY THE CITY OF LYNCHBURG
SCALE



Randolph-Macon
Woman's College

Dearington
neighborhood:
HOLC: C6

Miller Center

Mapping Inequality

HOLC check sheet (C6)

NS FORM-B
2-3-37

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(For Instructions see Reverse Side)

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CITY OF
LYNCHBURG, VIRGINIA

UNDESIGNED FROM
TOPOGRAPHIC MAP SHEETS
AND
INFORMATION OBTAINED FROM
DEPARTMENT OF PUBLIC WORKS
UNDESIGNED BY THE CITY OF LYNCHBURG
SCALE

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LEGEND

- A FIRST GRADE
- B SECOND GRADE
- C THIRD GRADE
- D FOURTH GRADE

SPARSELY SETTLED "RURAL RESERVE"

INDUSTRIAL - COMMERCIAL

PREPARED BY:

DIVISION OF RESEARCH AND STATISTICS

WITH THE COOPERATION OF THE

APPRaisal DEPARTMENT

HOMES OWNERS' LOAN CORPORATION - MAY 10, 1937

Dearington
neighborhood:
HOLC: C6

Miller Center

Randolph-Macon
Woman's College

Grades:

"A" (green) "best" (4)

"B" (blue) "still desirable (3)

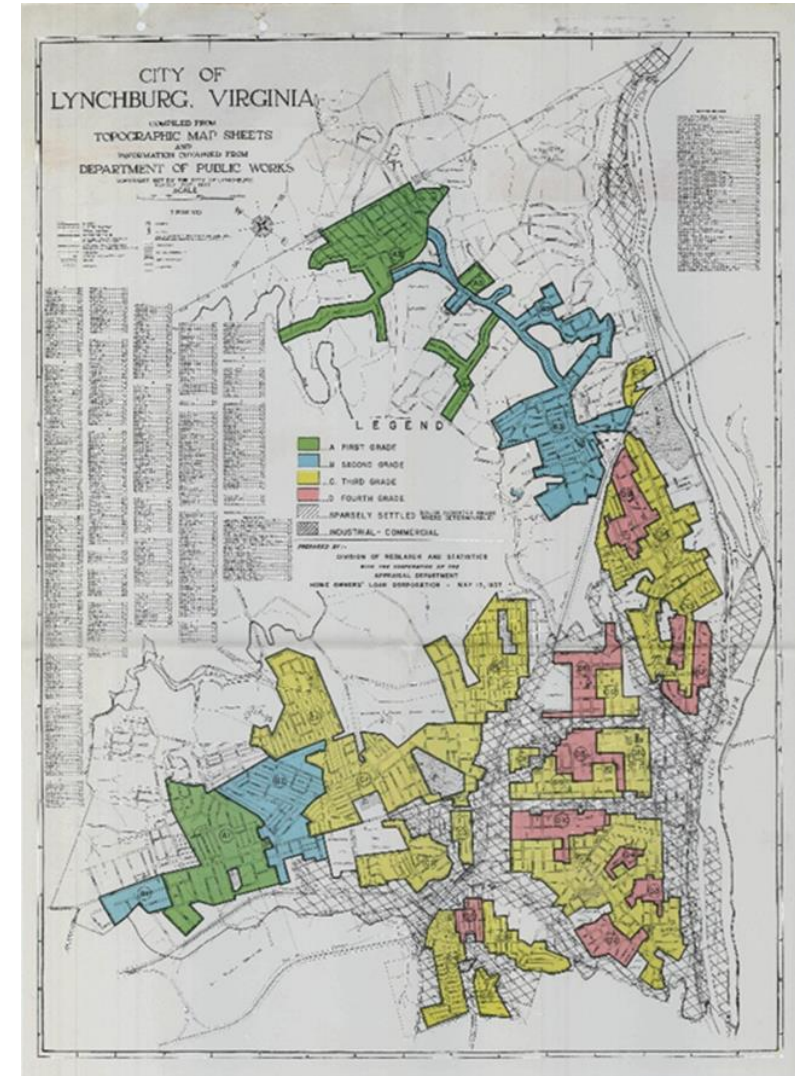
"C" (yellow) "in decline or
transition" (15)

"D" (red) "hazardous" (10)

Mortgage opportunities in "C"
and "D" neighborhoods:
Limited or none.

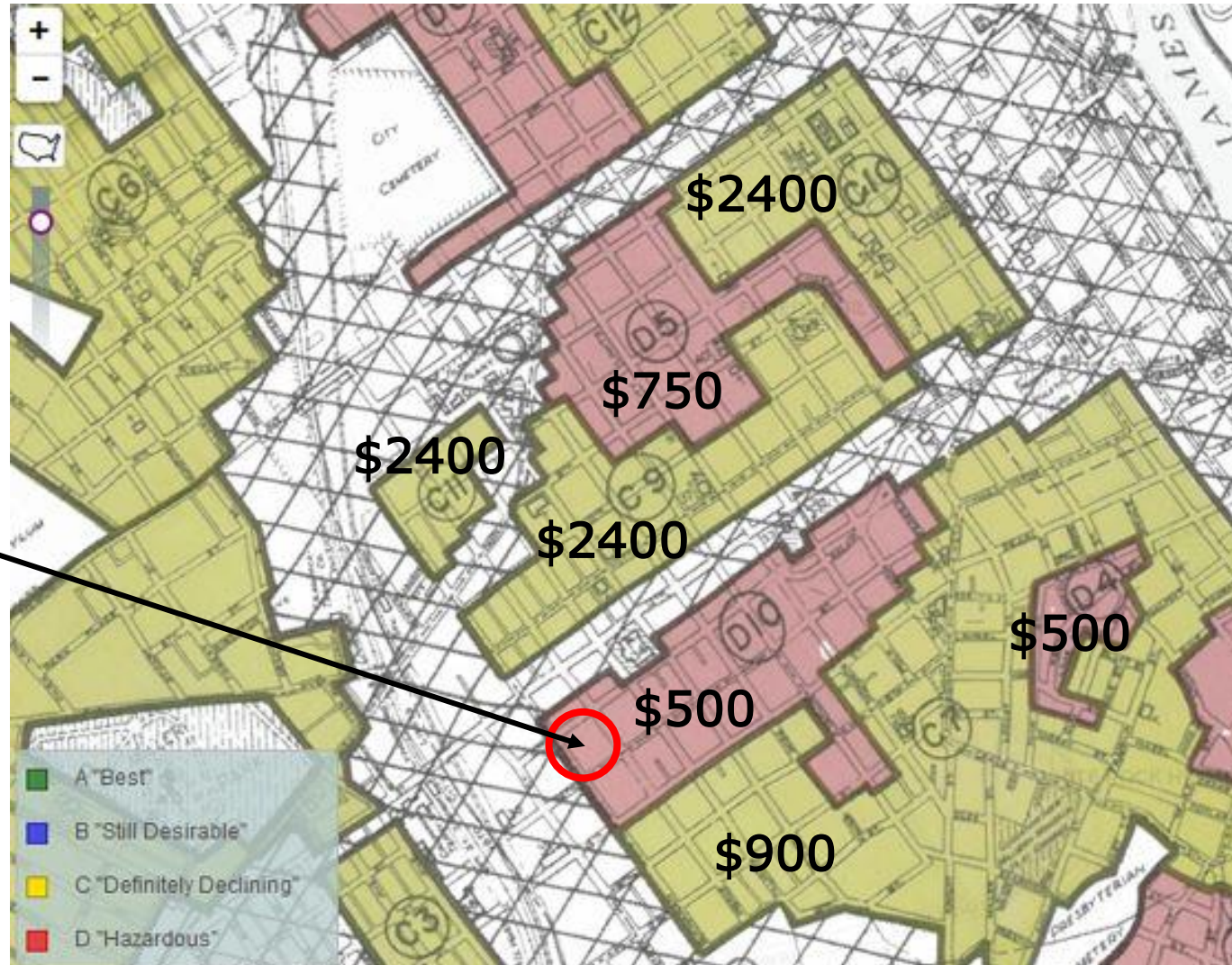
Analysis of the HOLC area descriptions

- Nearly complete segregation.
- Extreme inequality: Incomes at the top (\$5,000) exceeded those at the bottom (\$500) by a factor of 10.
- Home values at the top (\$8,500) exceeded those at the bottom (\$500) by a factor of 17.
- White incomes across A, B, and C neighborhoods averaged \$2,280. Black incomes in D neighborhoods averaged \$625; 3.65x
- Across the same neighborhoods, white home values: (\$3,097), black home values (\$448); 6.91x



Incomes in the College Hill and Diamond Hill neighborhoods (1937)

Anne Spencer
Home



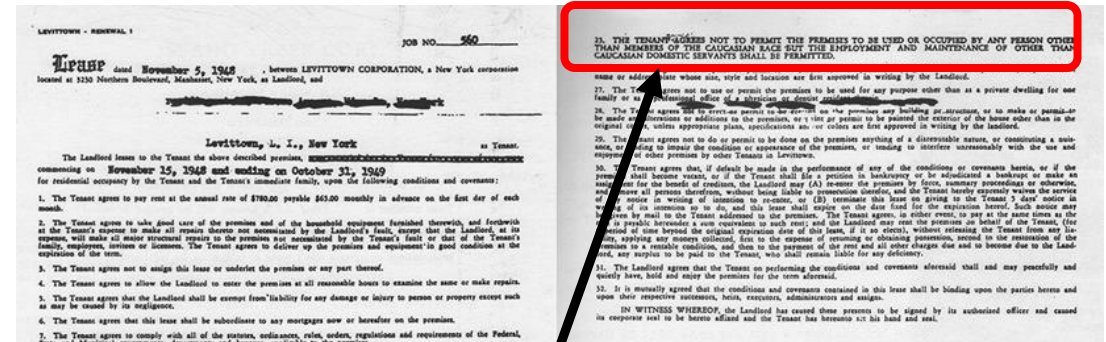
Impact?

The segregation and racial tension we see around the country today in places like Baltimore, Ferguson, Minneapolis, Charlotte, and even Lynchburg are not simply a result of the actions of racist decisions taking place in the private sector (both past and present)—exodus from city centers of fearful white families, real estate steering, and bank redlining, for example—(*de facto*), but rather due to “unhidden public policy that explicitly segregated every metropolitan area in the United States” (*de jure*). “The policy was so systematic and forceful that its effects endure to the present era. Without our government’s purposeful imposition of racial segregation, the other causes... still would have existed but with far less opportunity for expression.”

Rothstein (2017) *The Color of Law* (p. viii)

Example of *de jure* racism? Levittown

- Was Mr. Levitt racist? Was he merely a product of the culture of his day? Probably... (*de facto*).
- The only way Levittown would get built was with federal loan guarantees. The VA and FHA provided those guarantees only on the very specific condition that the subdivision be whites only (*de jure*).



Clause 25:
“The tenant agrees not to permit
the premises to be used or
occupied by any person other than
members of the Causasian race...”
Levittown lease agreement with
option to buy, 1948

The conveyance of the above described property is made subject to the restrictions set out on the above described plat and is made subject to the following reservations, restrictions, and conditions which shall be effective until January 1, 1999:

That neither said lot nor any portion thereof shall be sold, leased or otherwise disposed of except to persons of Caucasian descent.

That no shop, store, factory or business house of any kind, hospital, asylum, charitable institutions or institutions of like or kindred nature shall be erected or maintained on the premises hereby conveyed, but the said premises shall be used for residence purposes only and not otherwise; nor shall any live hogs, cattle or other live stock be kept thereon.

That there shall not be at any time more than one residence or dwelling house, designated as a single family house upon the property hereby conveyed.

The above-described property is conveyed subject to all restrictions, reservations, and easements heretofore imposed, by recorded deed or plat, upon the property hereby conveyed and now binding upon it, and to the following reservations and restrictions, which are to be taken as covenants running with the land:

1. No dwelling shall be erected on the lot hereby conveyed costing less than Six Thousand Dollars (\$6,000.00).

2. No lot is to be sold, leased, or disposed of to any person of African descent.

Deed recorded on 5-6-1947 in Lynchburg city court clerk's office

Impact...

Locked out of the greatest mass-based opportunity for wealth accumulation in American history, African Americans who desired and were able to afford home ownership found themselves consigned to central-city communities where their investments were affected by the “self-fulfilling prophecies” of the FHA appraisers: cut off from sources of new investment, their homes and communities deteriorated and lost value in comparison to those homes and communities that FHA appraisers deemed desirable (p. 18).

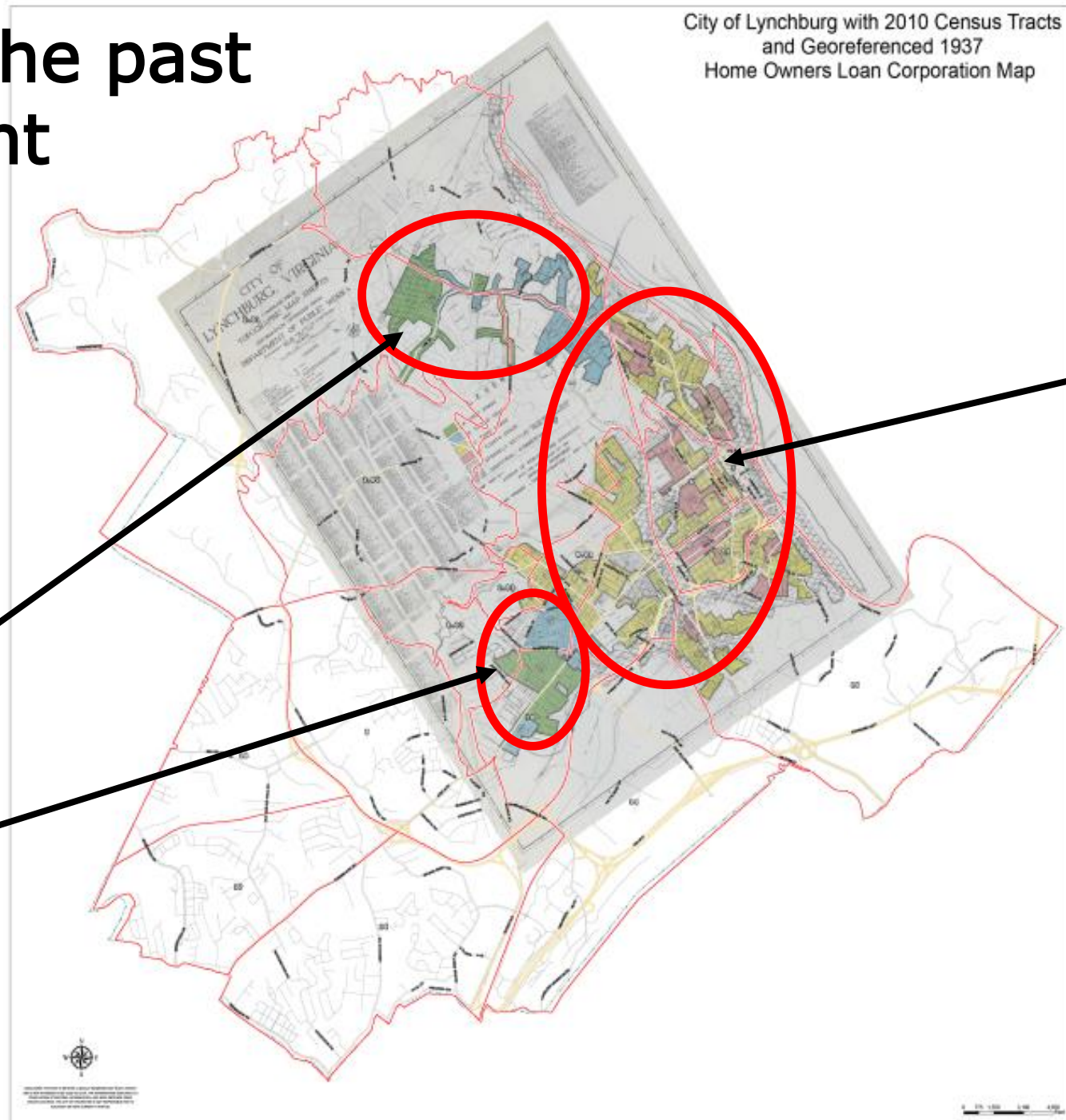
Oliver and Shapiro (2006), *Black Wealth/White Wealth*

Connecting the past to the present

HOLC
Neighborhoods:

"A" and "B" (north):
Census tracts 1 and
2.01 (Boonsboro)

"A" and "B" (south):
Census tracts 8.01
and 10
(Westend/Fort Hill)



"C" and "D":
Census tracts 4, 6,
7, 11, and 19

LYNCHBURG:

Population by census tract by race:
Black or American American (2013 - 2017)

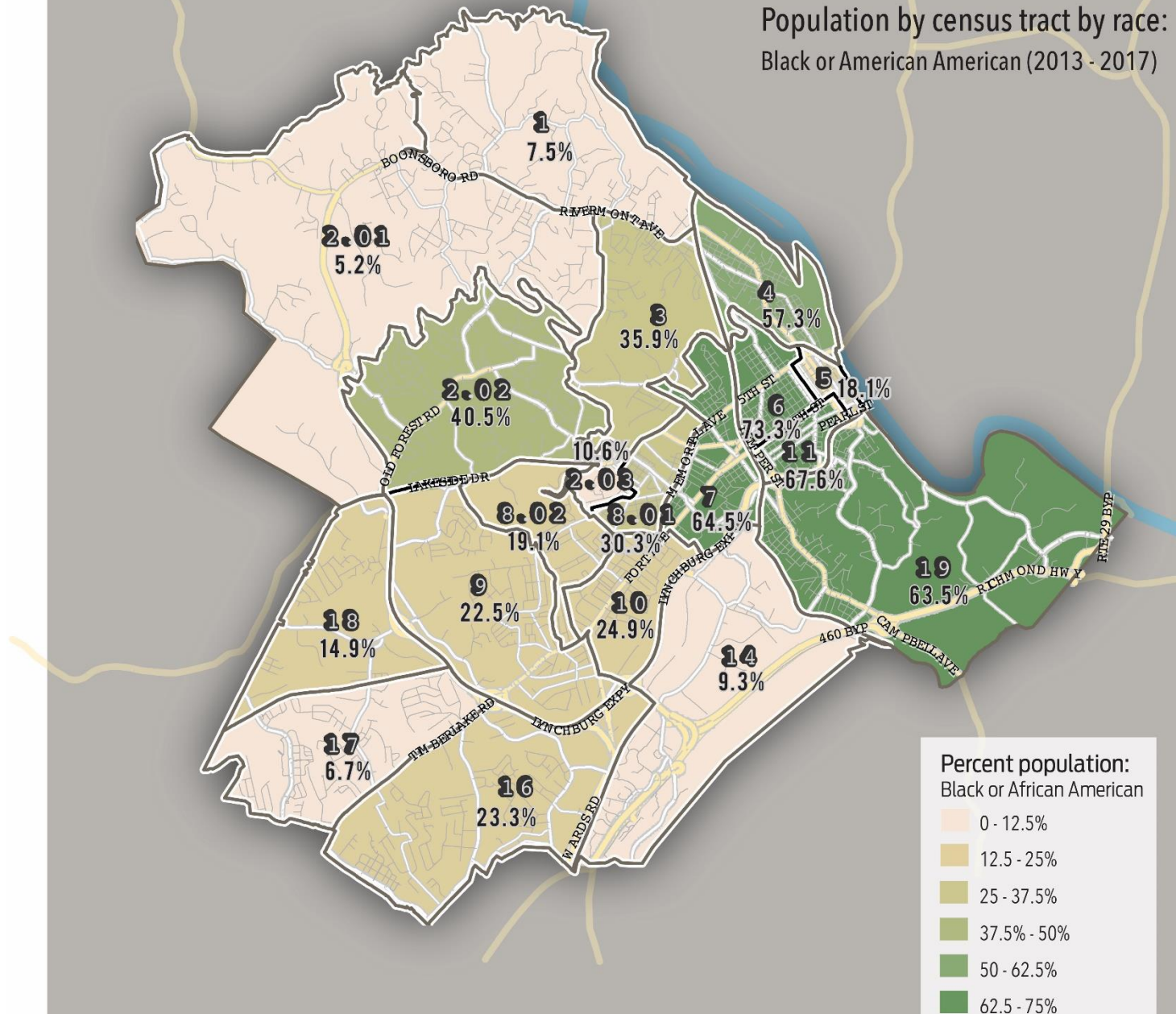
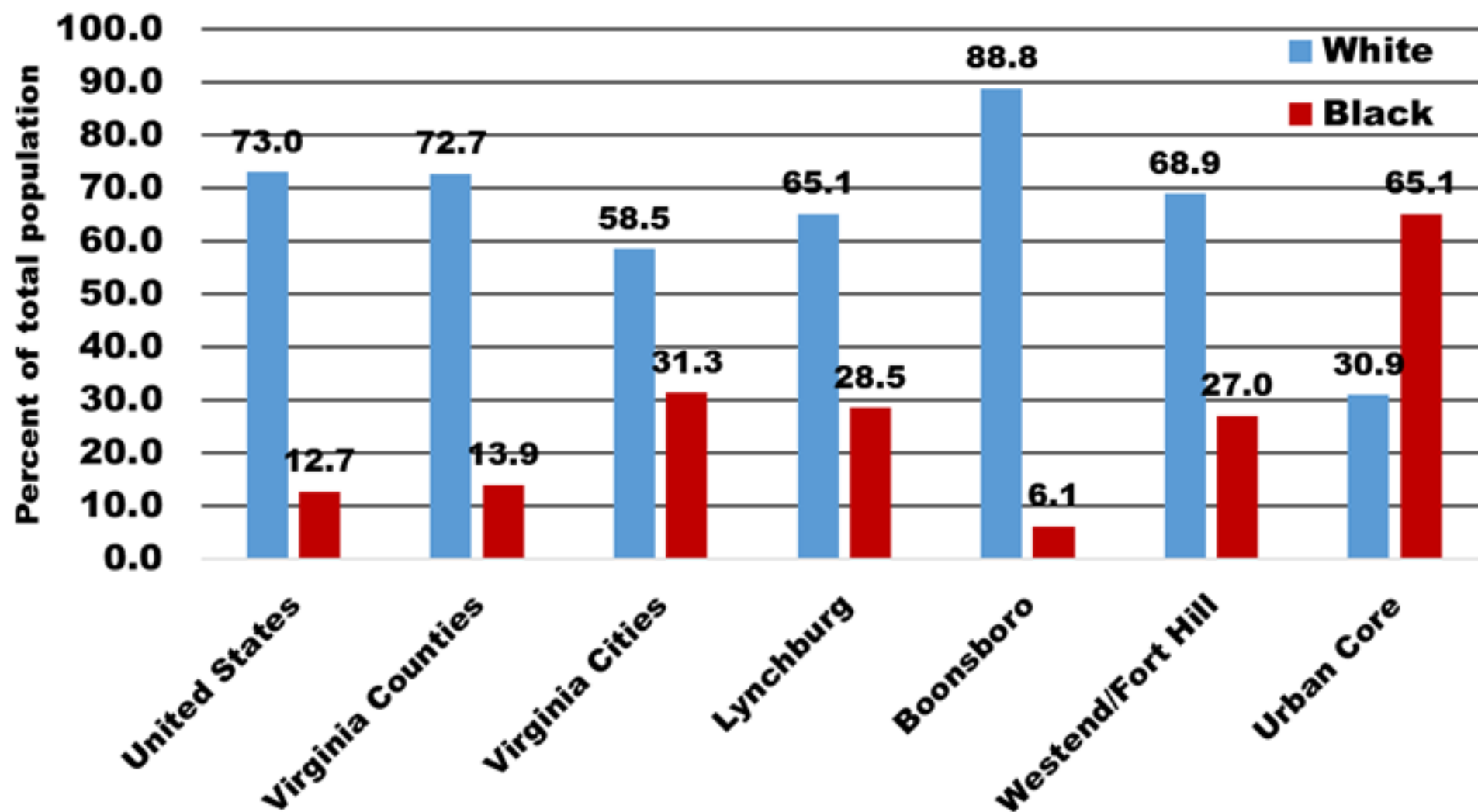
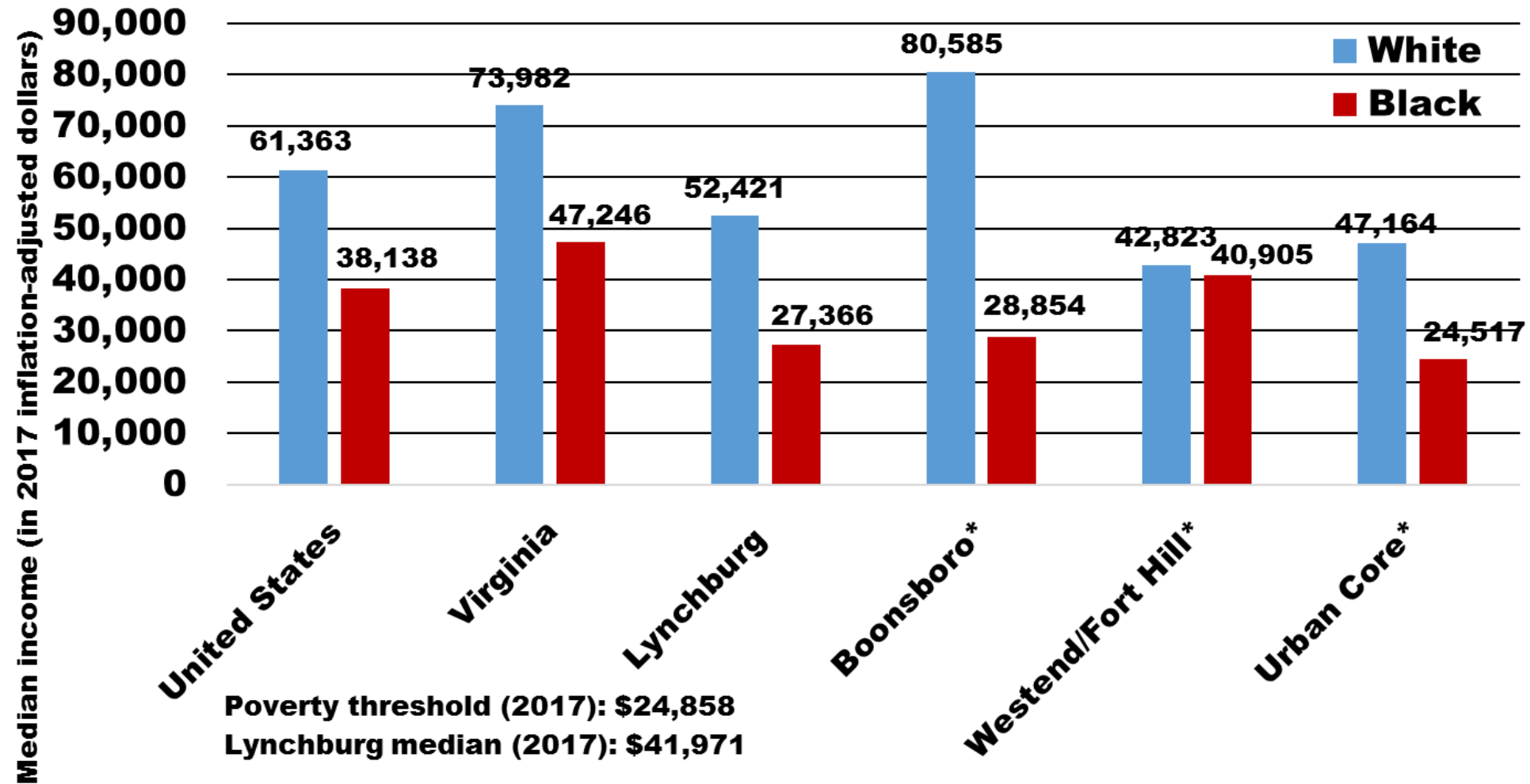


Fig 1. Population by race: USA, Virginia, Lynchburg, and selected census groupings (2013-2017)



Source: US Census ACS 5 yr estimates 2013-2017 Table DP05

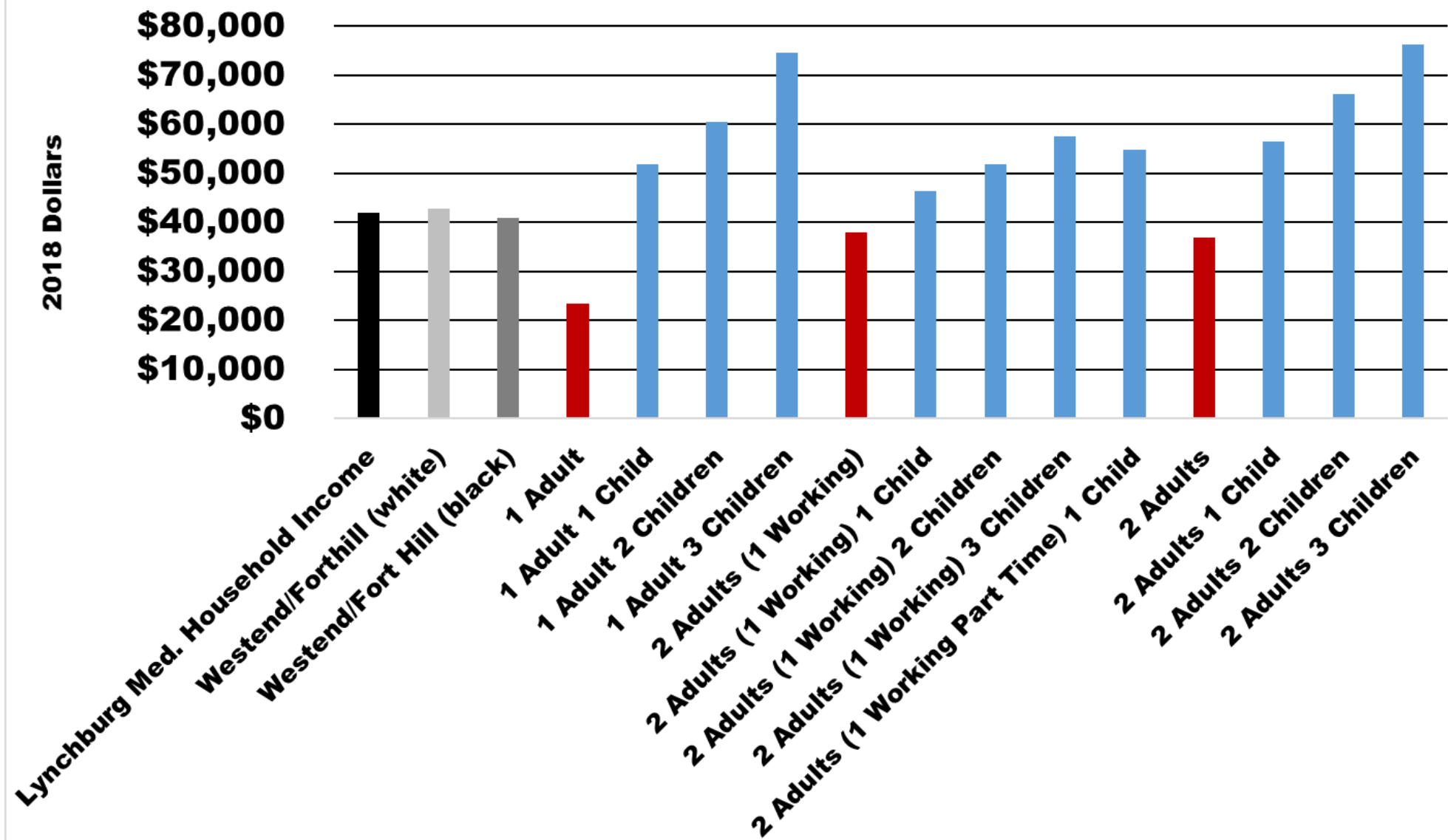
Fig 2. Median household income by race: USA, VA, Lynchburg, and selected census groupings (2013-2017)



Source: US Census ACS 5 yr estimates 2013-2017 Table S1903

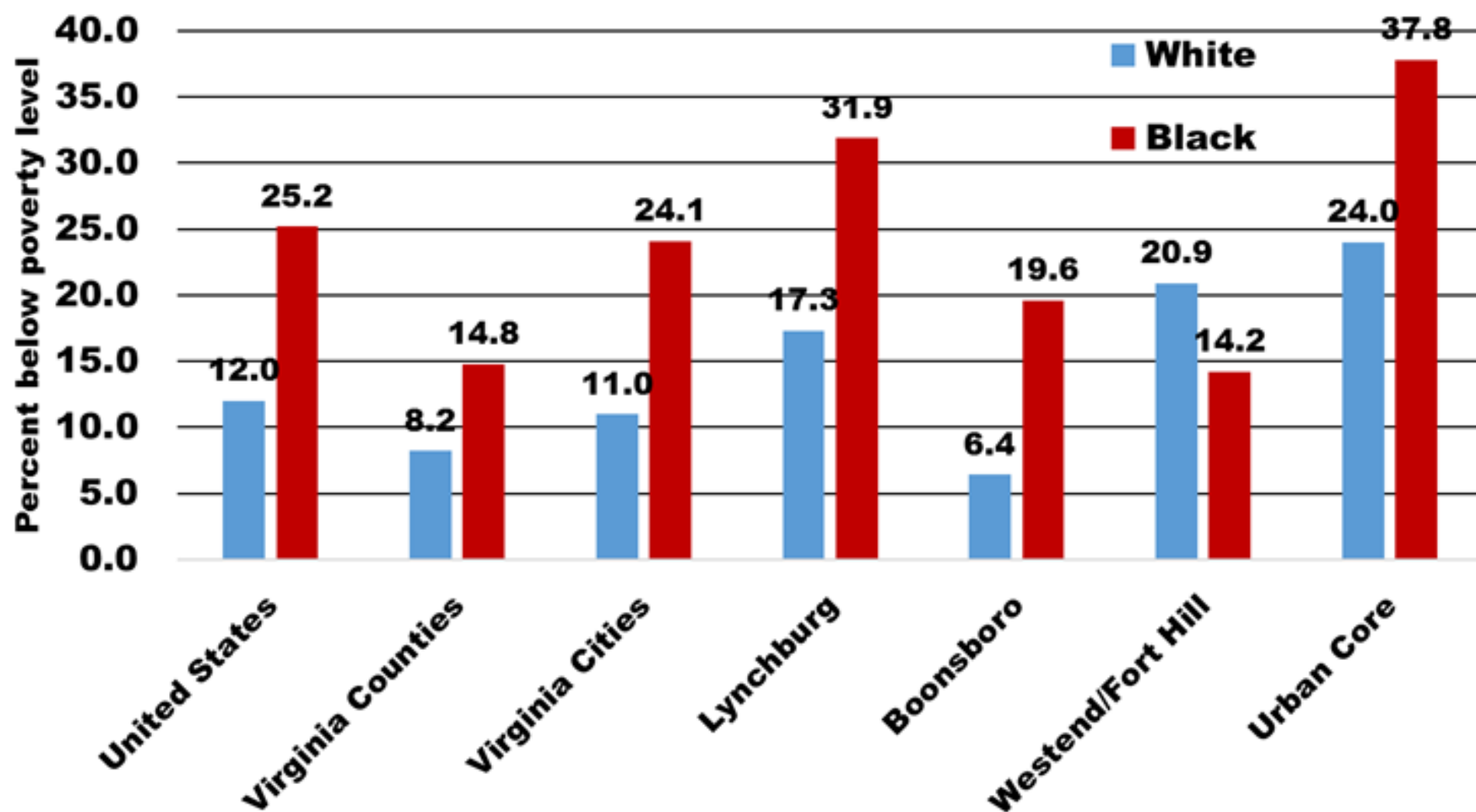
Note: *Average median value

Living wage calculation for Lynchburg, VA: Required annual income before taxes



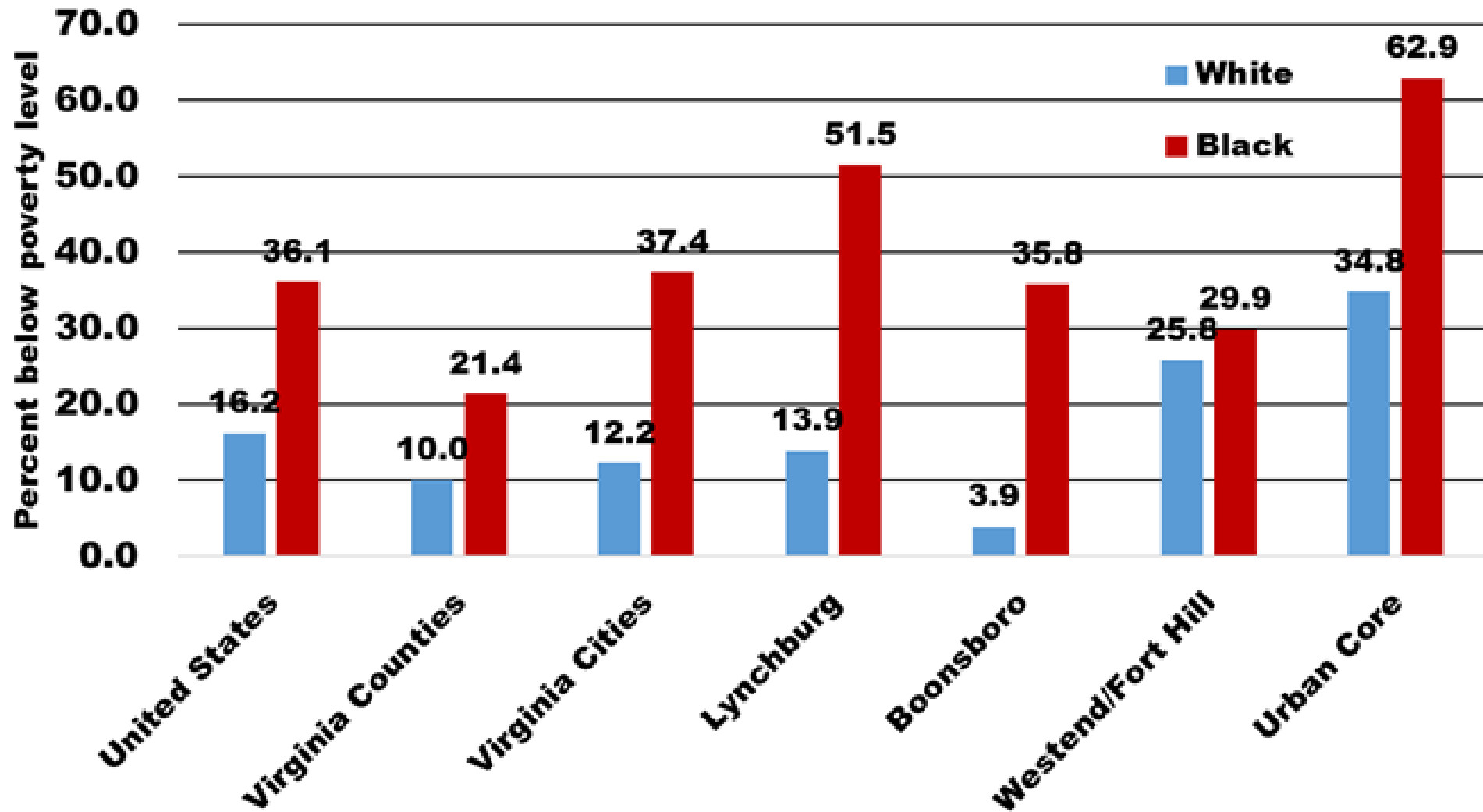
Source: MIT <http://livingwage.mit.edu/metros/31340>

Fig 3a. Poverty rate by race: USA, Virginia, Lynchburg, and selected census groupings (2013-2017)



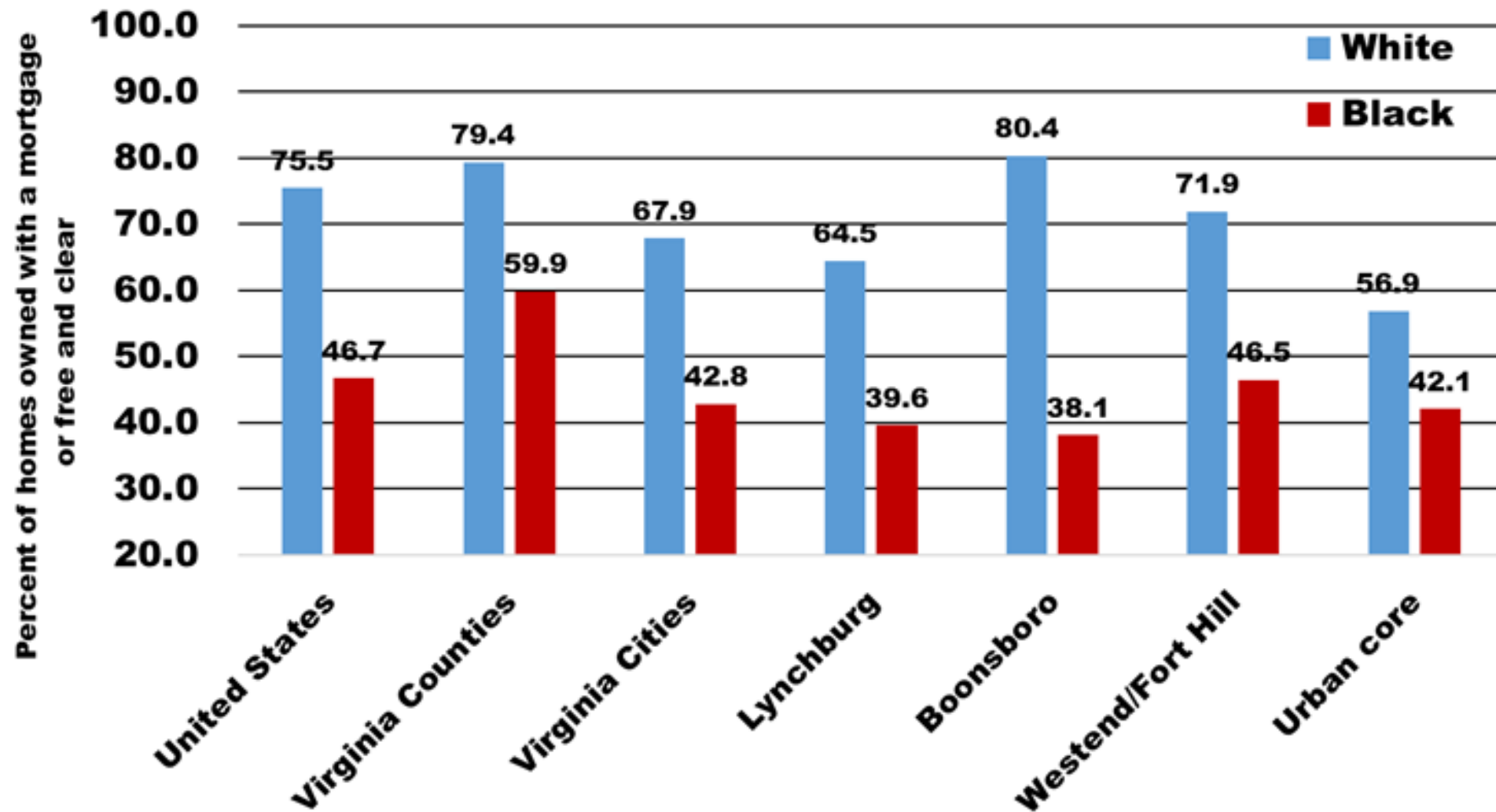
Source: US Census ACS 2013-2017 Table S1701

Fig 3b. Youth poverty rate by race: USA, Virginia, Lynchburg, and selected census groupings (2013-2017)



Source: US Census ACS 2013-2017 Tables B17020A and B17020B

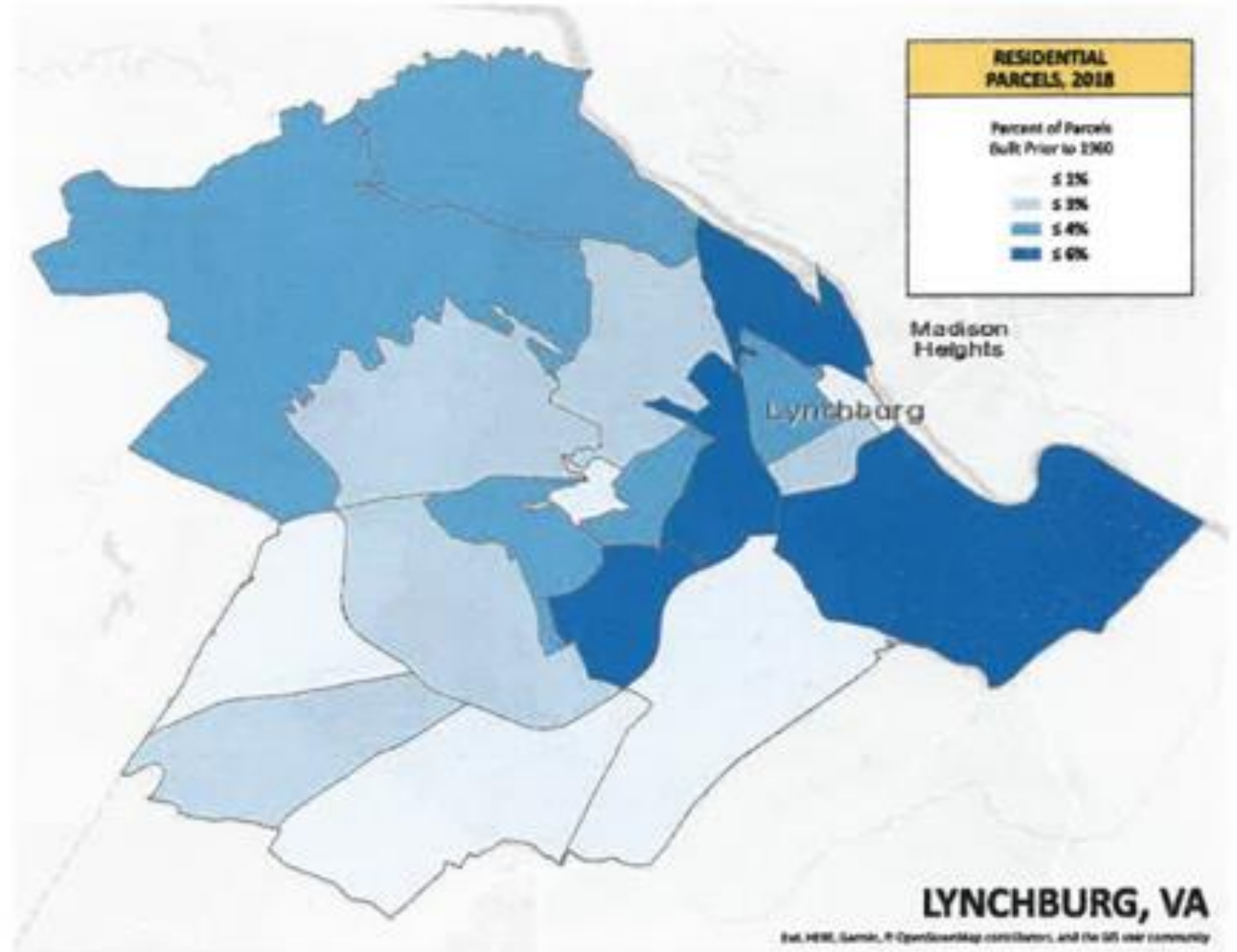
Fig. 4. Homeownership rates by race: USA, Virginia, Lynchburg and selected census groupings (2010)



Source: US Census Tables H11I and H11B

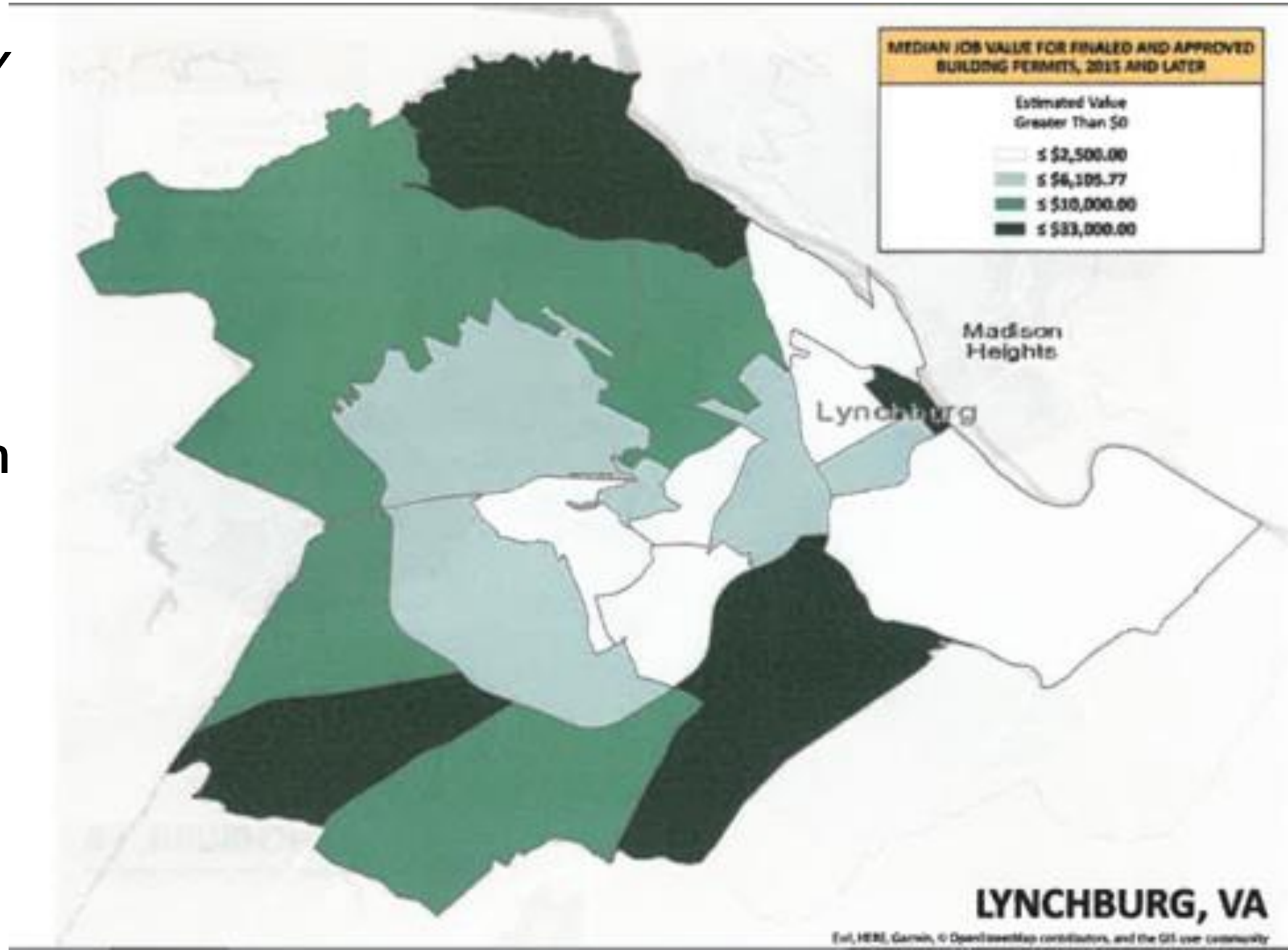
Housing Stability Profile: Lynchburg 2018 Opportunity 360

Percent of homes built prior to 1960 (as an indicator of exposure to lead-based paint). Red and yellow-lined neighborhoods heavily represented by older homes.

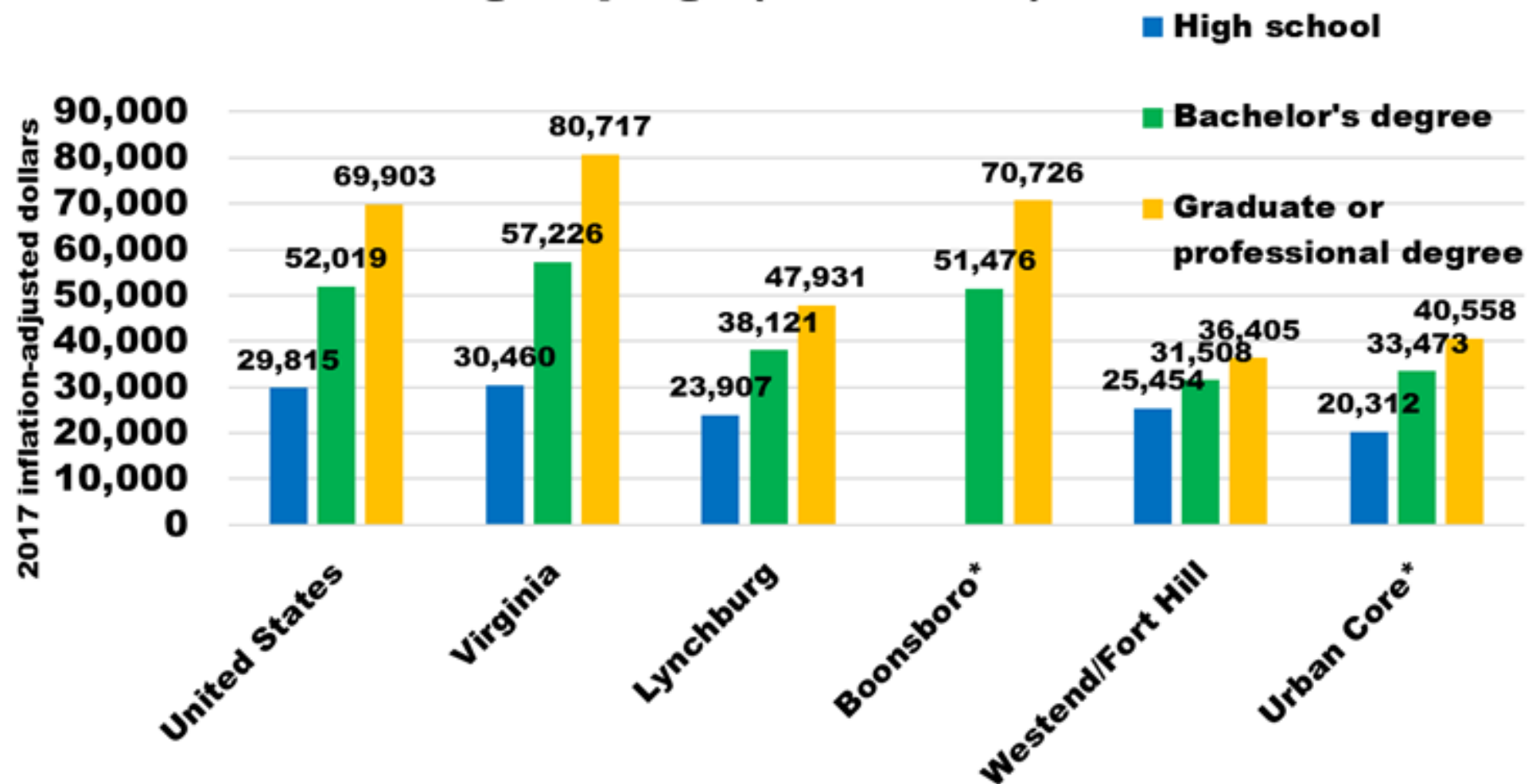


Housing Stability Profile: Lynchburg 2018 Opportunity 360

Map shows value of approved building permits in Lynchburg. It indicates uneven investments, with little taking place in formerly red or yellow-lined neighborhoods.

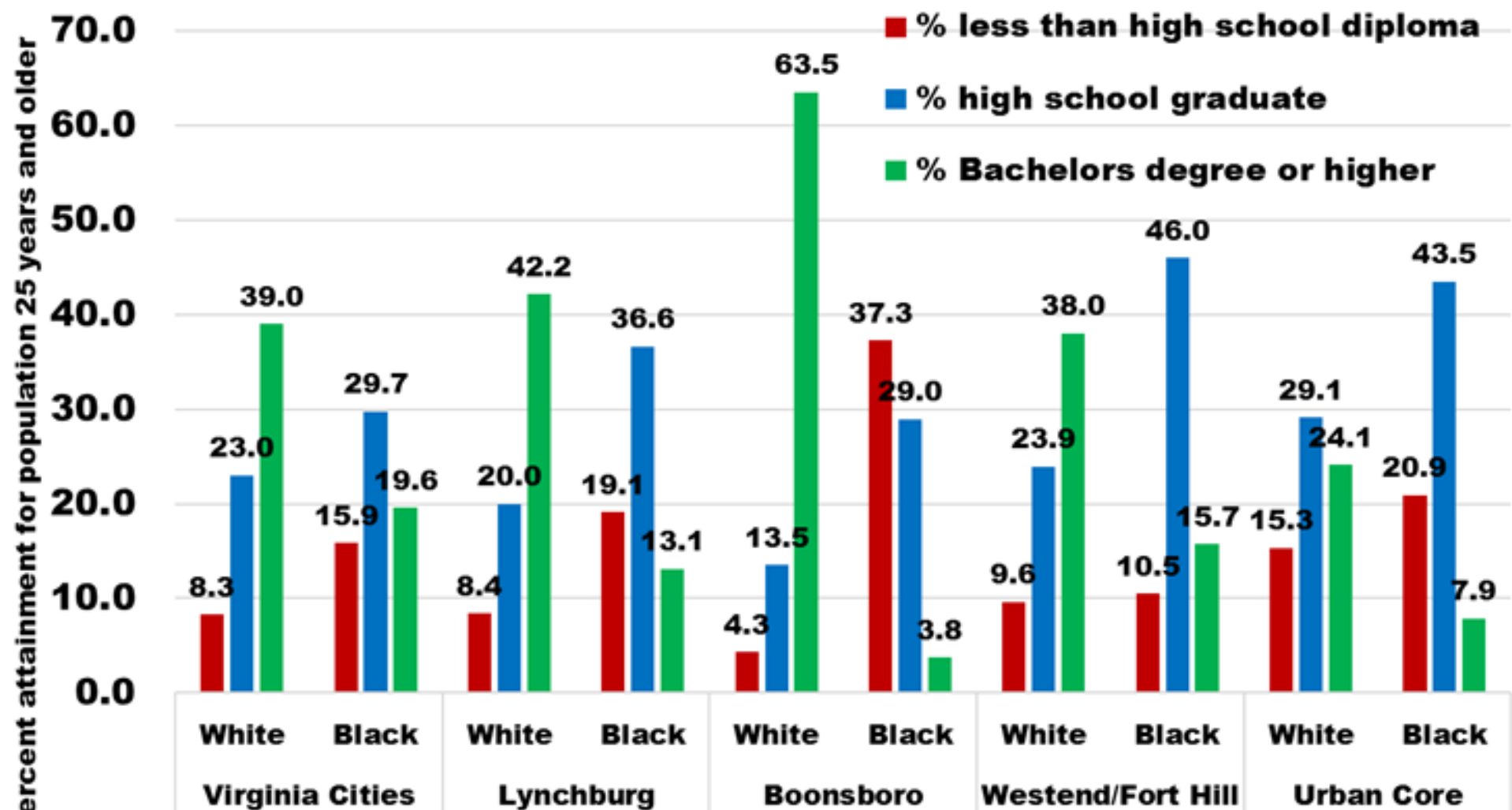


**Fig 5. Median earnings by educational attainment (population 25 years and over):
USA, Virginia, Lynchburg, and selected census groupings (2013-2017)**



Source: US Census ACS 5 yr estimates 2013-2017 Table S2001

Fig 6. Educational attainment by race: Virginia cities, Lynchburg, and selected census groupings (2013-2017)



Source: US Census ACS 5 yr estimates 2013-2017 Tables C15002A and C15002B

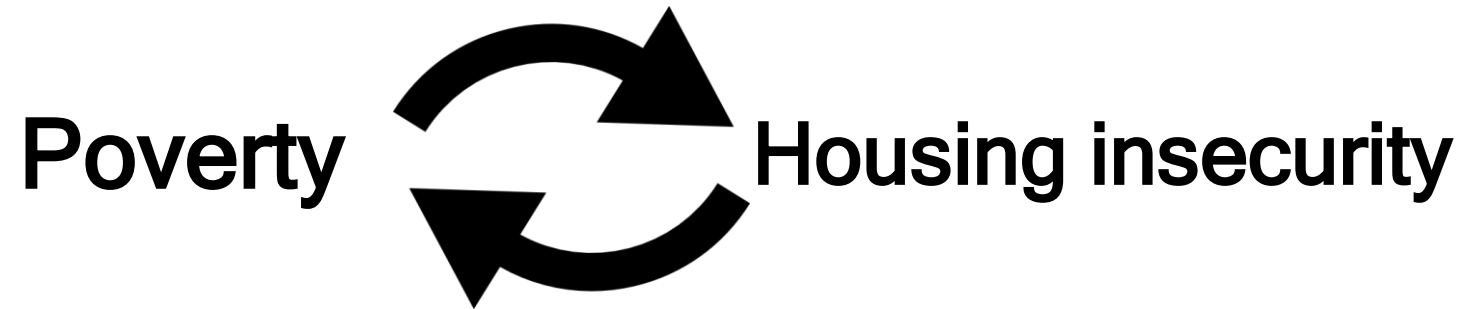
Need for change...

Since the first European settlers arrived on our shores centuries ago, American culture has placed the relative worth of whites above all others, and at times violently enforced this through annihilation, enslavement, colonization and cultural genocide. The adopted and embedded mindset and belief has restricted the quality of life for people of color, while limiting opportunities for success and limiting the realization of the full potential of our democracy.

(W.W. Kellogg Foundation, 2016).



Perspective...



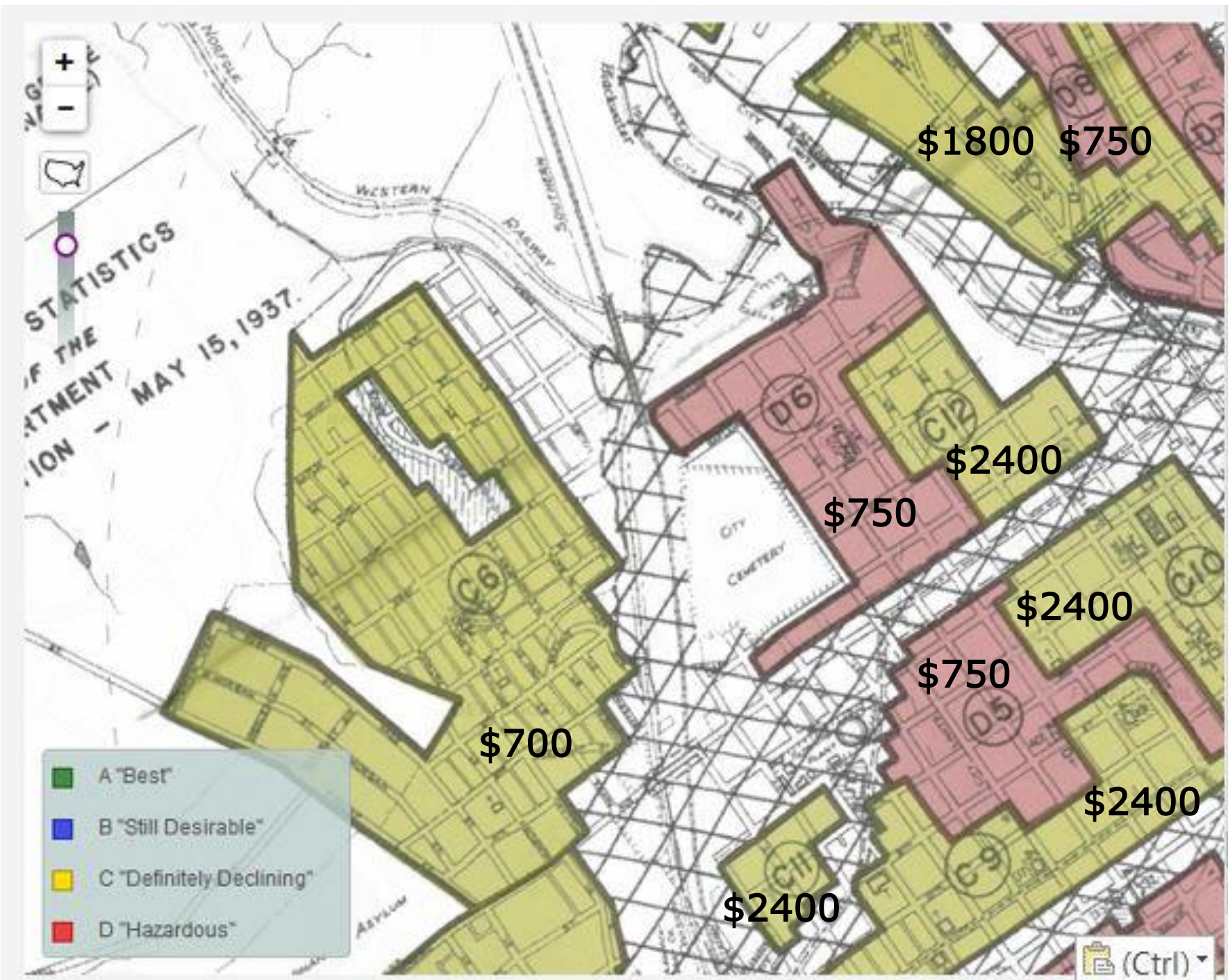
- Lynchburg: 11.4% (7,785 individuals) have incomes below 50 percent of the poverty line (compare to 7.8% for VA cities).

US Census ACS 2013-17, Table S1701

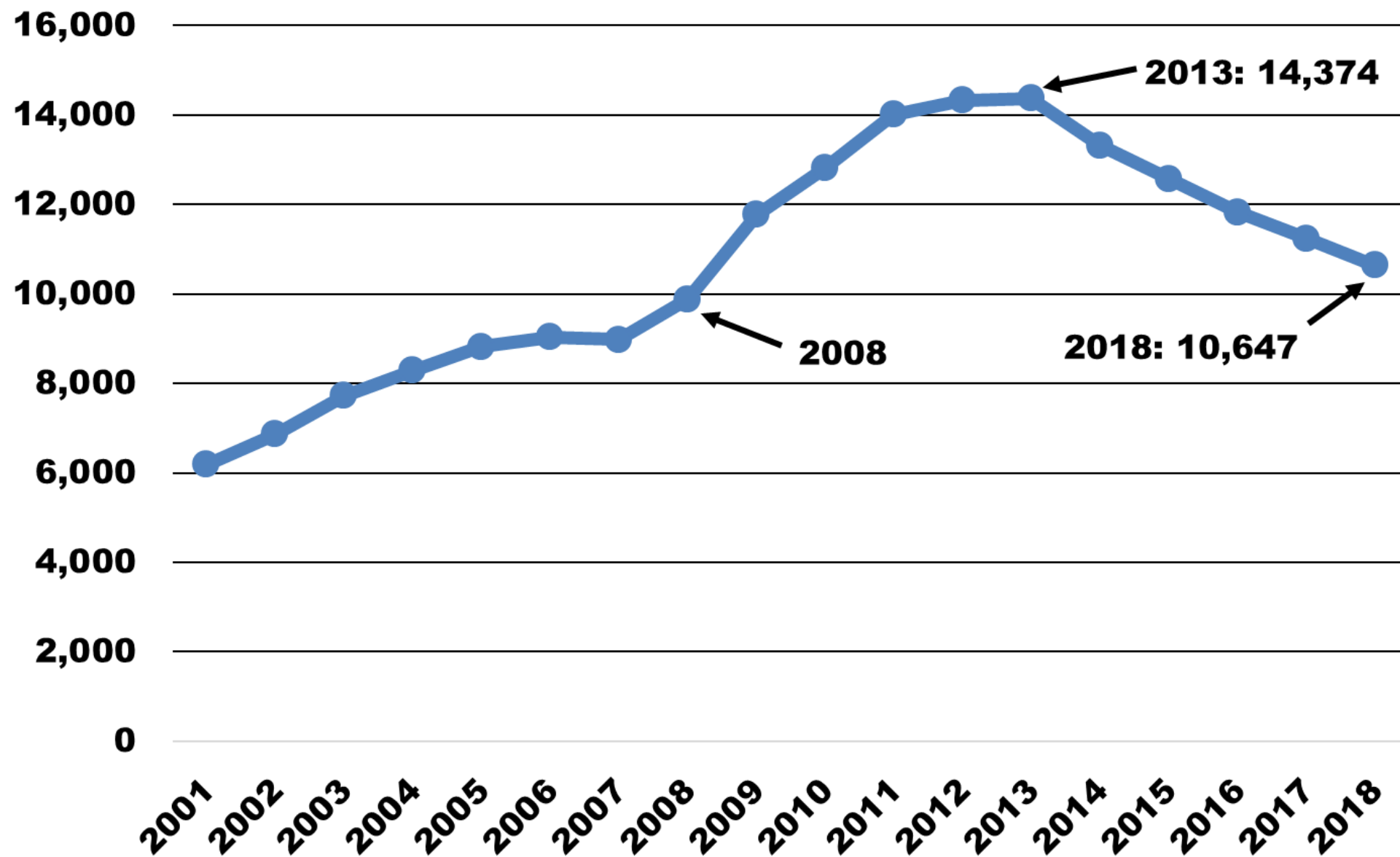
- For 4,028 extremely low income renters in Lynchburg (<30% of AMI), there is an outright shortage of affordable housing of nearly 600 units. *Opportunity 360*

Housing insecurity is associated with:

- Evictions (3 per day in Lynchburg)
- Higher cost of living
- Hypermobility
- Mental health problems
- Physical health problems
- Crime
- Poor educational outcomes
- Increased chances of layoffs
- Detachment from labor force

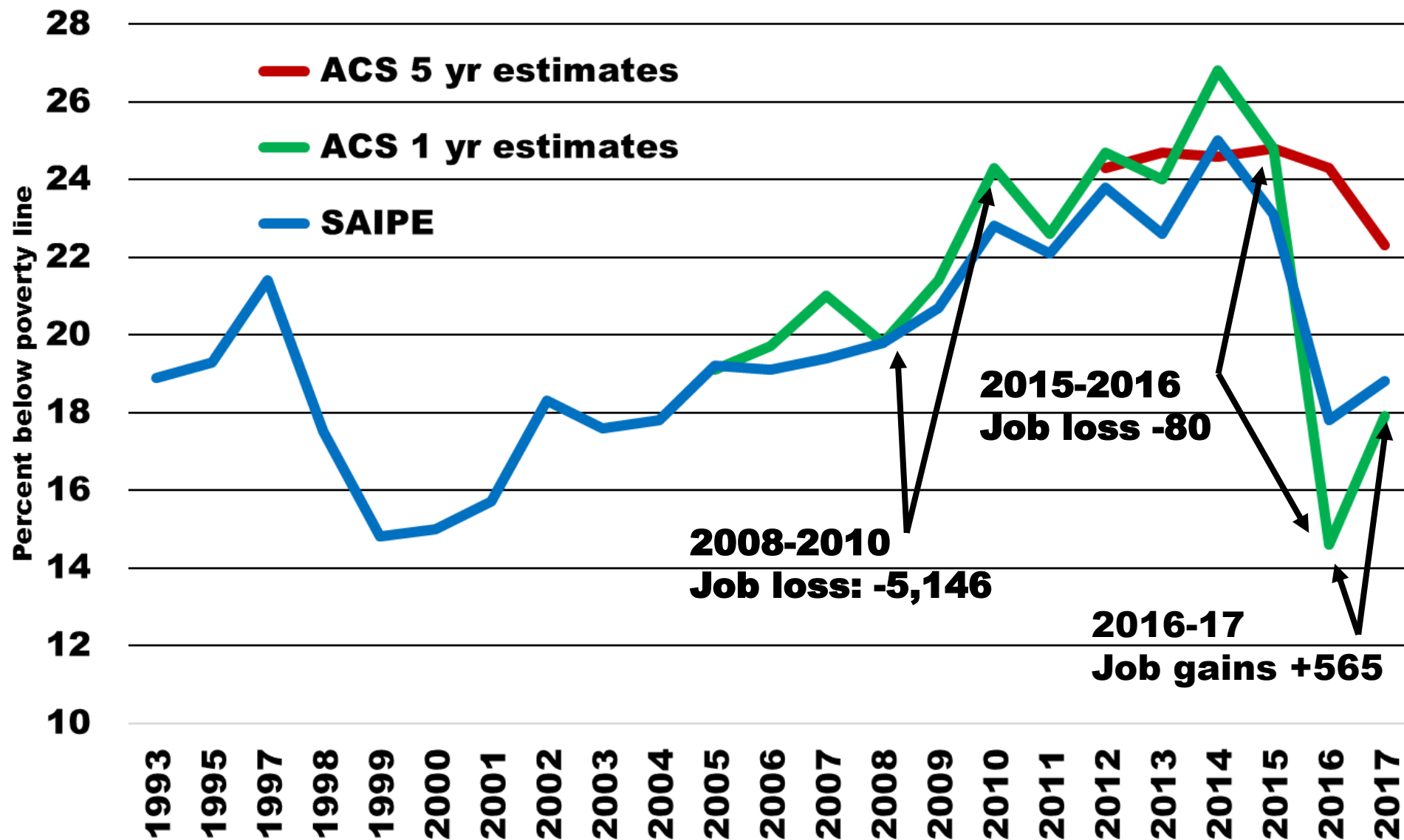


Lynchburg: SNAP participation (2001 - 2018)



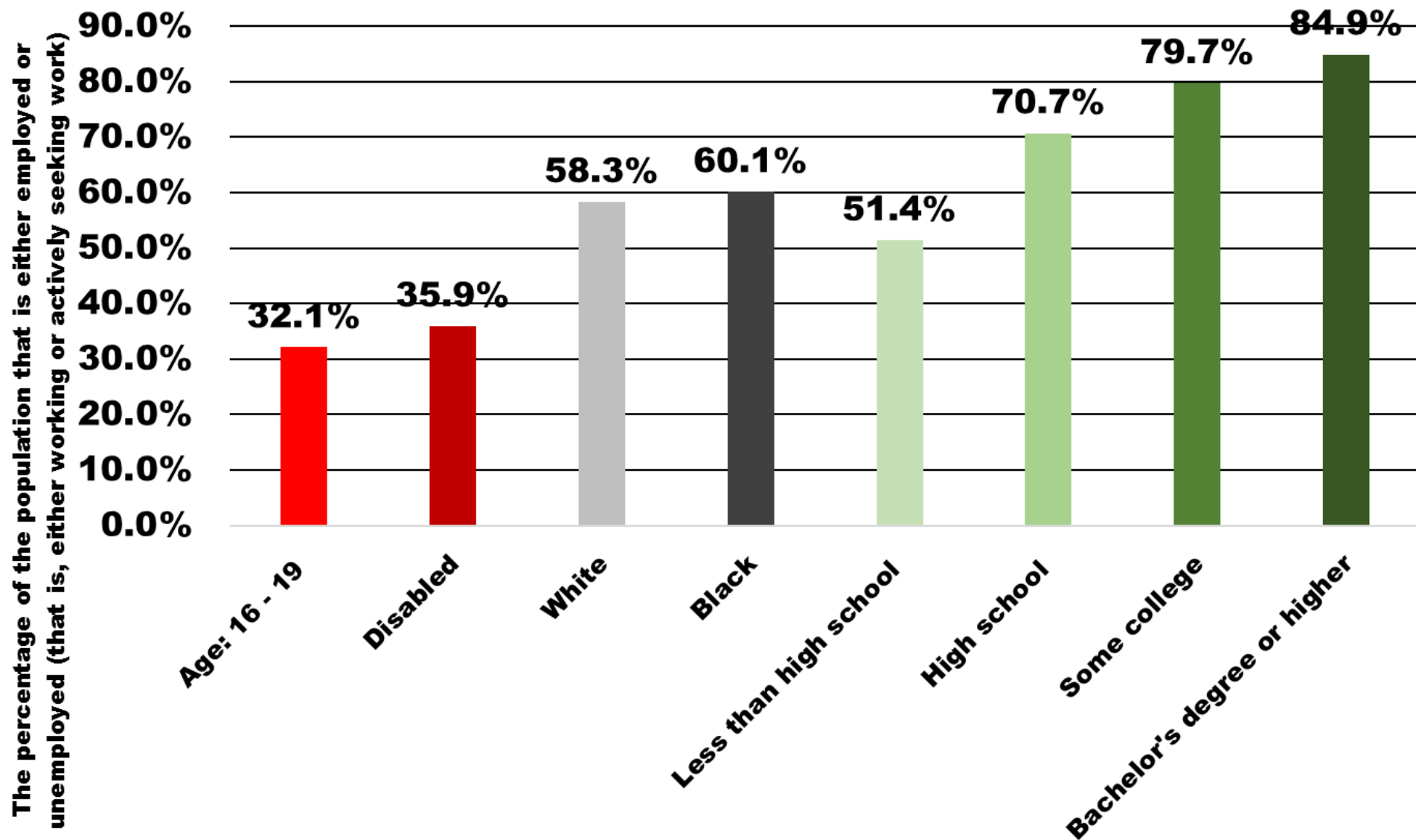
Source: VA Department of Social Services:
http://www.dss.virginia.gov/geninfo/reports/financial_assistance/fs.cgi

Lynchburg Poverty Rate: SAIPE vs ACS 1yr and 5 yr estimates (1993-2017)



Source: US Census SAIPE and ACS 1 yr and 5yr estimates Table 1701

Lynchburg: Labor force participation rate 2013 - 2017



Source: US Census ACS 5-yr estimates 2013-2017 Table S2301

Housing markets and the Great Depression

- Without federal mortgage insurance, bank mortgages required 50% down payments. Loans were interest-only with balloon payments in 5-7 years.
- Owner-occupied housing was prohibitively expensive.
- With rising unemployment, foreclosures were on the rise, along with evictions of renters.
- The construction industry collapsed.

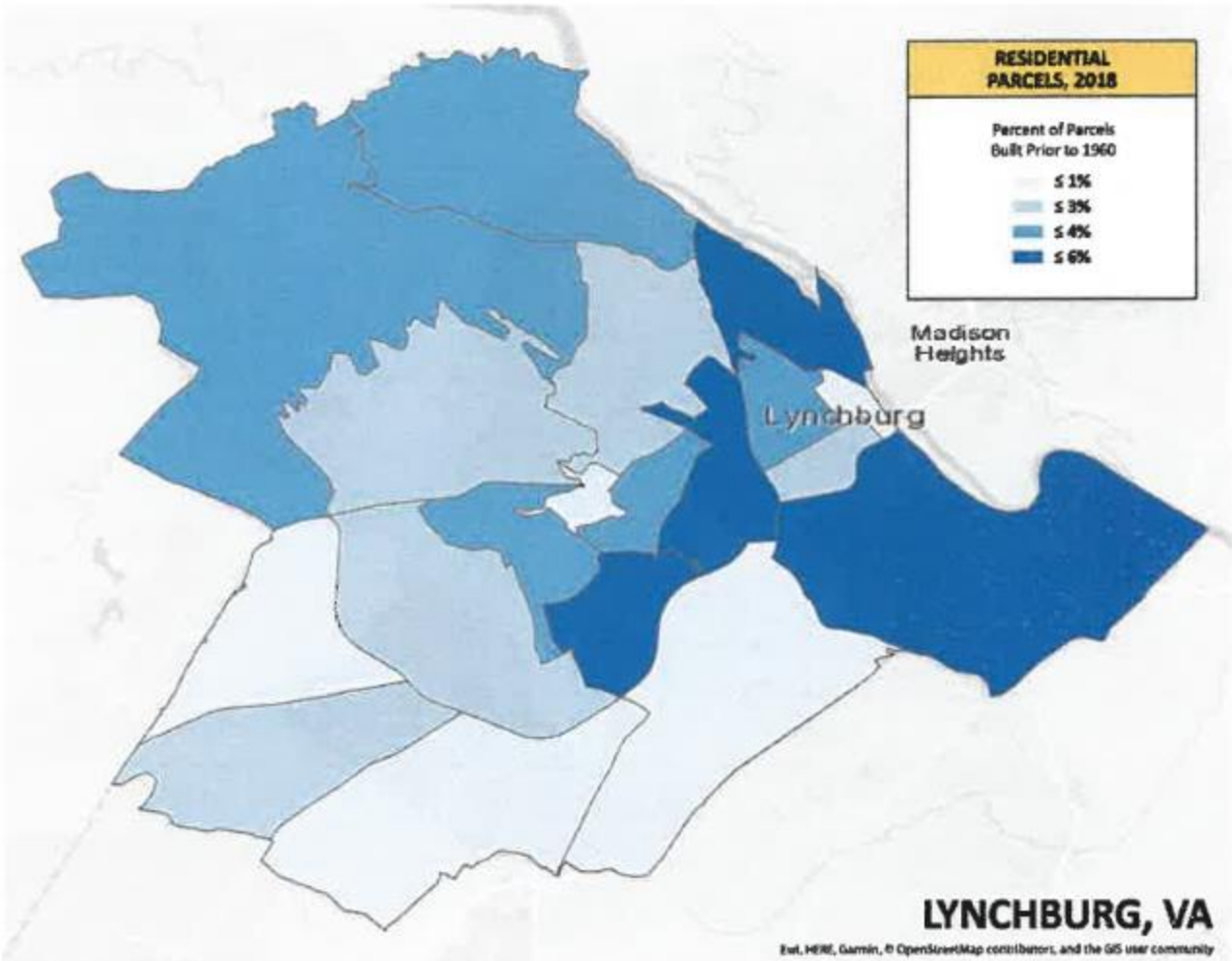


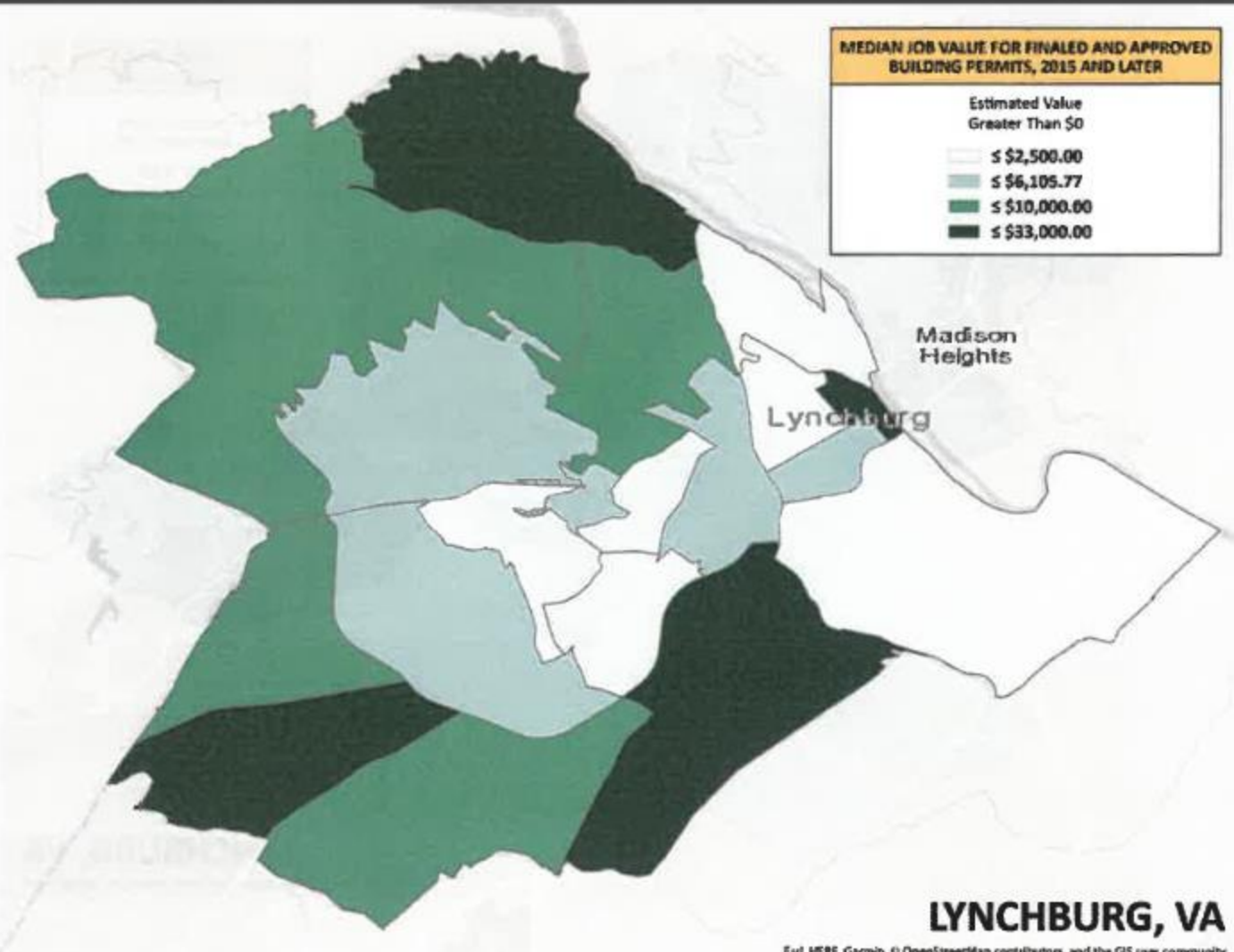
Older Homes in the City of Lynchburg

Some of the homes available to Lynchburg's low-income renters may be older, especially in its eastern neighborhoods.

This map shows the location of residential parcels built prior to 1960 which the EPA considers as an indicator of potential exposure to lead-based paint.

In 2018, older homes were scattered across the City of Lynchburg with the largest concentrations in the city's eastern side





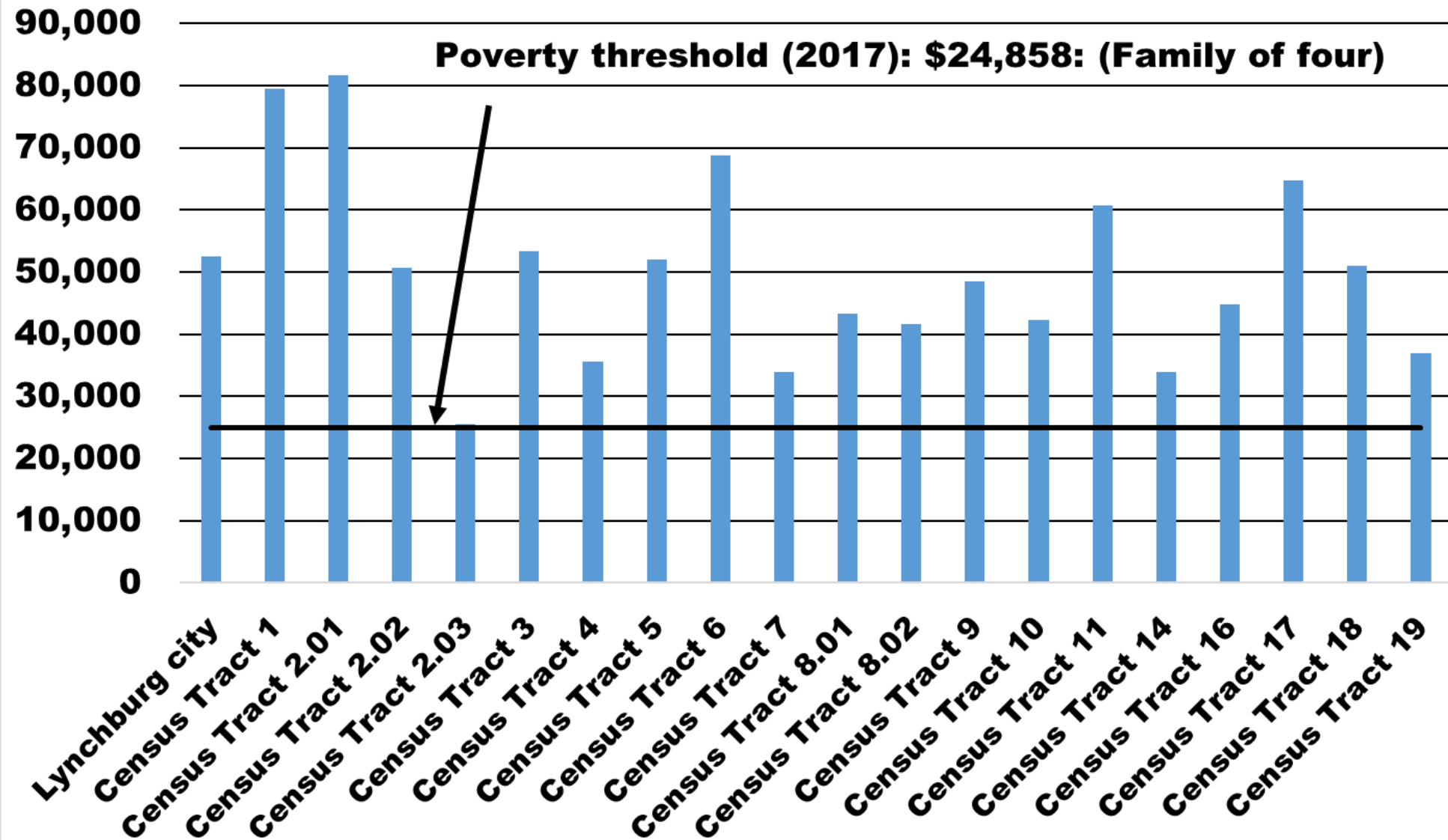
Lynchburg's Uneven Investments

Investments to improve buildings in these neighborhoods are also occurring unevenly across the city.*

This map shows the estimated value of finalized and approved building permits as an indicator of recent investments in Lynchburg.

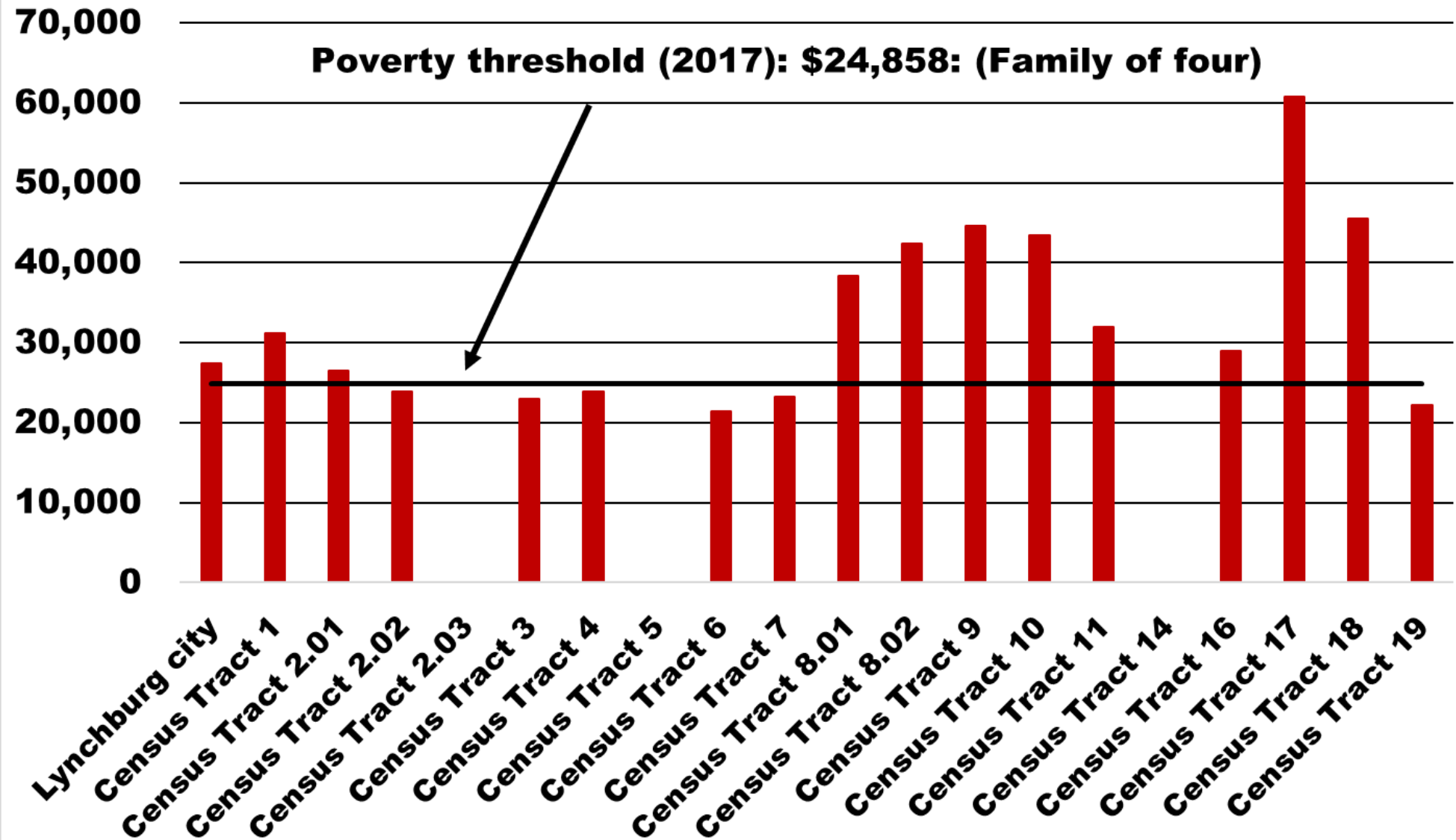
It suggests large investments concentrate in just four of the Lynchburg's tracts. These tracts are all located along the city's outer boundary.

Lynchburg: White median household income (2013-2017)



Source: US Census ACS 5 yr estimates 2013-2017 Table S1903

Lynchburg: Black median household income (2013-2017)



Source: US Census ACS 5 yr estimates 2013-2017 Table S1903

Income vs poverty

Median vs mean

Hypothetical example (n = 10, 5 whites, 5 blacks)

White:

\$20,000 $1 \div 5 = 20\%$ poverty rate

\$40,000

\$50,000 ← Median

\$60,000

\$180,000

$\$350,000 \div 5 = \$70,000$ ← Mean

Black:

\$15,000
\$15,000 $2 \div 5 = 40\%$ poverty rate

\$25,000 ← Median

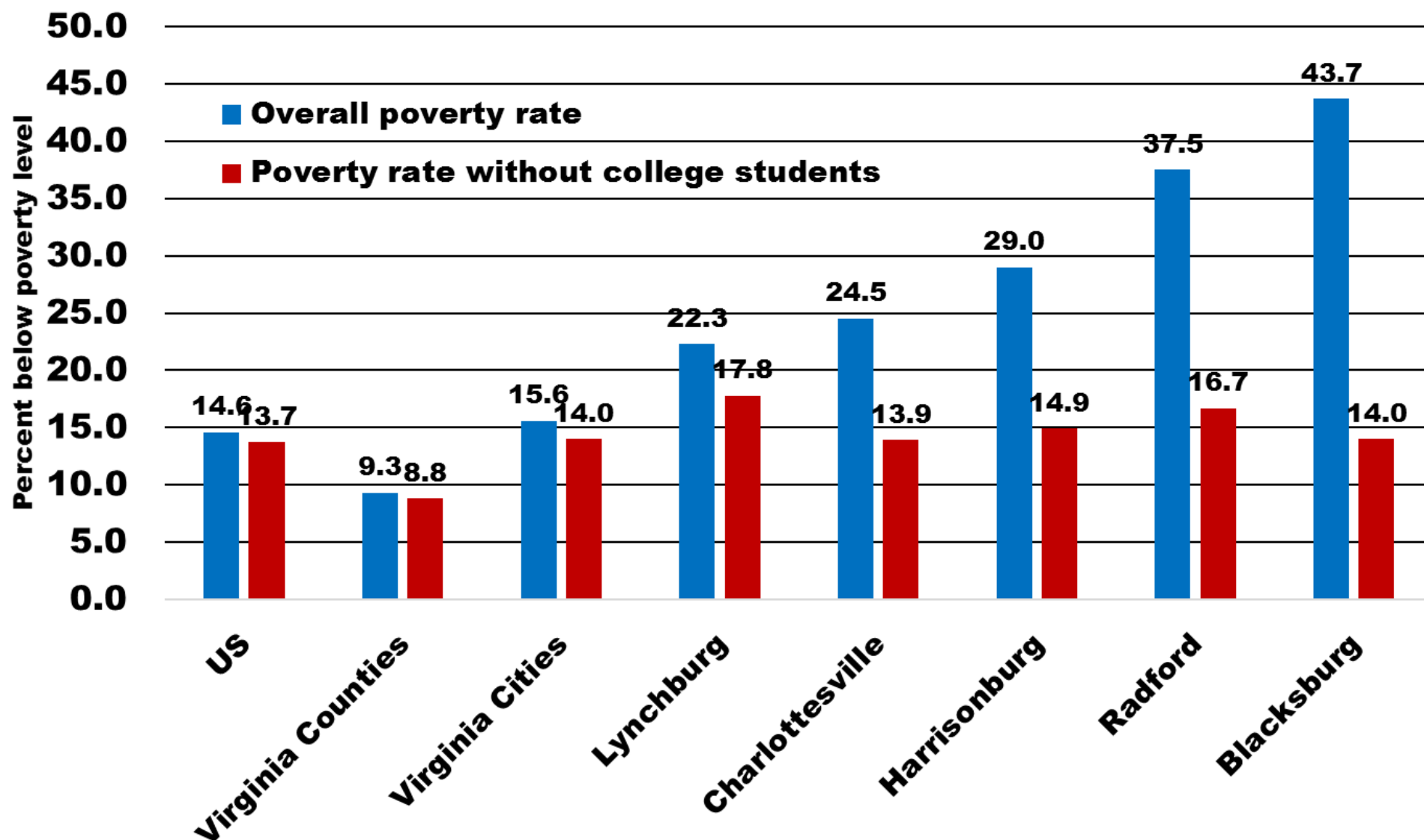
\$30,000

\$90,000

$\$175,000 \div 5 = \$35,000$ ← Mean

Note: Poverty threshold (2017): \$24,858 (family of 4)

Overall poverty rate vs poverty rate without college students (2013-2017)



US Census: ACS 5 yr estimates, Tables S1701, B14006